UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 6-K

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of 1934

For the month of September, 2015

Commission File Number: **000-36000**

XTL Biopharmaceuticals Ltd.
(Translation of registrant's name into English)

5 HaCharoshet St.,
Raanana 4365603
Israel
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F ☒ Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ____

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ____

Incorporation by Reference: This Form 6-K of XTL Biopharmaceuticals Ltd. is hereby incorporated by reference into the registration statements on Form S-8 (File No. 333-148085, File No. 333-148754 and File No. 333-154795) and Form F-3 (File No. 333-194338).

On September 21, 2015, XTL Biopharmaceuticals Ltd. issued unaudited interim condensed consolidated financial statements as of June 30, 2015. Attached hereto and incorporated by reference herein are the following exhibits:

99.1	Operating and Financial Review and Prospects as of June 30, 2015.
99.2	Unaudited Interim Condensed Consolidated Financial Statements as of June 30, 2015.

OPERATING AND FINANCIAL REVIEW AND PROSPECTS

You should read the following discussion of our operating and financial condition and prospects in conjunction with the financial statements and the notes thereto included elsewhere in this 6-K, as well as in our Annual Report on Form 20-F filed on April 28, 2015.

Unless the context requires otherwise, references in this report to "XTL," the "Company," "we," "us" and "our" refer to XTL Biopharmaceuticals Ltd, an Israeli company and our consolidated subsidiaries.

We have prepared our consolidated financial statements in United States dollars and in accordance with International Financial Reporting Standards, ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All references herein to "dollars" or "$" are to US dollars, and all references to "Shekels" or "NIS" are to New Israeli Shekels. Certain amounts presented herein may not sum due to rounding.

Forward Looking Statements

The following discussion contains "forward-looking statements," including statements regarding expectations, beliefs, intentions or strategies for the future. These statements may identify important factors which could cause our actual results to differ materially from those indicated by the forward-looking statements. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Factors that could cause our actual results to differ materially from those expressed or implied in such forward-looking statements include, but are not limited to:

- the initiation, timing, progress and results of any preclinical studies, clinical trials and other product candidate development efforts;
- our ability to advance our product candidates into clinical trials or to successfully complete our preclinical studies or clinical trials;
- our receipt of regulatory approvals for our product candidates, and the timing of other regulatory filings and approvals;
- the clinical development, commercialization and market acceptance of our product candidates;
- our ability to establish and maintain corporate collaborations;
- the implementation of our business model and strategic plans for our business and product candidates;
- the scope of protection we are able to establish and maintain for intellectual property rights covering our product candidates and our ability to operate our business without infringing the intellectual property rights of others;
- estimates of our expenses, future revenues, capital requirements and our needs for additional financing;
- competitive companies, technologies and our industry; and
- statements as to the impact of the political and security situation in Israel on our business.

All forward-looking statements attributable to us or persons acting on our behalf speak only as of the date of the 6-K to which this discussion is attached and are expressly qualified in their entirety by the cautionary statements included herein. We undertake no obligations to update or revise forward-looking statements to reflect events or

circumstances that arise after the date made or to reflect the occurrence of unanticipated events. In evaluating forward-looking statements, you should consider these risks and uncertainties.

Overview

We are a biopharmaceutical company engaged in the acquisition and development of pharmaceutical drugs for the treatment of unmet medical needs. Our current drug development program is focused on the treatment of systemic lupus erythematosus.

We were established as a corporation under the laws of Israel in 1993, and commenced operations to use and commercialize technology developed at the Weizmann Institute, in Rehovot, Israel. Since commencing operations, our activities have been primarily devoted to developing our technologies and drug candidates, acquiring pre-clinical and clinical-stage compounds, raising capital, purchasing assets for our facilities, and recruiting personnel. We have had no drug product sales to date. Our major sources of working capital have been proceeds from various private and public offerings of our securities and option and warrant exercises.

We have incurred negative cash flow from operations each year since our inception and we anticipate incurring negative cash flows from operating activities for the foreseeable future. We have spent, and expect to continue to spend, substantial amounts in connection with implementing our business strategy, including our planned product development efforts, our clinical trials, and potential in-licensing and acquisition opportunities.

Our research and development expenses in the six months ended June 2015 and 2014 primarily consisted of expenses related to the hCDR1 and rHuEPO development plan. As part of the preparations for future clinical trials of hCDR1, during the six months ended June 2015 and 2014 we engaged regulatory and clinical consultants and commenced work on Chemistry, Manufacturing and Control ("CMC") including production and testing of the drug substance. Costs related to rHuEPO, during the six months ended June 2015 and 2014 consisted primarily of fees for regulatory and other consultants.

Our general and administrative expenses in the six months ended June 2015 and 2014 consist primarily of salaries, consultant fees, and related expenses for executive, finance and other administrative personnel, professional fees, director fees and other corporate expenses, including investor relations, business development costs and facilities related expenses. We expense our general and administrative expenses as incurred.

Our results of operations in the six months ended June 30, 2015 include non-cash compensation expense as a result of the grants of XTL stock options. Compensation expense for awards of options granted to employees and directors represents the fair value of the award (measured using the Black-Scholes valuation model) recorded over the respective vesting periods of the individual stock options (see details below.)

For awards of options and warrants to consultants and other third-parties, according to IFRS 2, the treatment of such options and warrants is the same as employee options compensation expense (see note 20 to the consolidated financial statements for the year ended December 31, 2014). We record compensation expense based on the fair value of the award at the grant date according to the Black-Scholes valuation model. According to the IFRS 2, in non-performance-based options, the Company recognizes options expenses using the graded vesting method (accelerated amortization). Graded vesting means that portions of a single option grant will vest on several dates, equal to the number of tranches. The Company treats each tranche as a separate share option grant; because each tranche has a different vesting period, and hence the fair value of each tranche is different. Therefore, under this method the compensation cost amortization is accelerated to earlier periods in the overall vesting period.

Our planned clinical trials will be lengthy and expensive. Even if these trials show that our drug candidates are effective in treating certain indications, there is no guarantee that we will be able to record commercial sales of any of our product candidates in the near future or generate licensing revenues from upfront payments associated with out-licensing transactions. In addition, we expect losses in our drug development activity to continue as we continue to fund development of our drug candidates. As we continue our development efforts, we may enter into additional third-party collaborative agreements and may incur additional expenses, such as licensing fees and milestone payments. As a result, our periodical results may fluctuate and a period-by-period comparison of our operating results may not be a meaningful indication of our future performance.

Results of Operations for the three months ended June 30, 2015 compared to the three months to June 30, 2014

Revenues

We did not record any revenues during each of the three-month periods ended June 30, 2015 and 2014.

Research and development expenses

Research and development expenses for the three months ended June 30, 2015 were $69,000 compared to $34,000 in the same period in 2014. The increase in expenses in 2015 compared to 2014 for this period is mainly due to our focus on preparing these assets for their upcoming clinical trials including the completion of production of the drug substance for hCDR1.

General and administrative expenses

General and administrative expenses for the three months ended June 30, 2015 were $0.4 million in line with general and administrative expenses for the same period in 2014.

Financial income, net

Financial income, net for the three months ended June 30, 2015 was $54,000 compared to $20,000 in the three months ended June 30, 2014. The increase in financial income, net was mainly due to changes in fair value of marketable securities held in InterCure, a former subsidiary.

Loss from continuing operations

Loss from continuing operations for the three months ended June 30, 2015 was $0.4 million compared to $0.4 million in the same period last year.

Total loss

Total loss for the three months ended June 30, 2015 was $0.4 million compared to $0.7 million in the same period last year. The decrease in loss was due to losses in 2014 from discontinued operations related to InterCure, a former subsidiary.

Results of Operations for the six months ended June 30, 2015 compared to the six months to June 30, 2014

Revenues

We did not record any revenues during each of the six-month periods ended June 30, 2015 and 2014.

Research and development expenses

Research and development expenses for the six months ended June 30, 2015 were $111,000 compared to $81,000 for the same period in 2014. The increase in expenses in 2015 compared to 2014 for this period is mainly due to our focus on preparing these assets for their upcoming clinical trials including the completion of production of the drug substance for hCDR1.

General and administrative expenses

General and administrative expenses for the six months ended June 30, 2015 were $0.7 million compared with $0.9 million for the same period in 2014. The decrease in general and administrative expenses was due to lower salary and share-based compensation costs in the six months ended June 30, 2015.

Financial income, net

Financial expense, net for the six months ended June 30, 2015 was $186,000 compared to financial income, net of $17,000 for the six months ended June 30, 2014. The decrease in financial income, net was mainly due to changes in fair value of marketable securities held in InterCure, a former subsidiary.

Loss from continuing operations

Loss from continuing operations for the six months ended June 30, 2015 was $1.0 million, in line with loss from continuing operations for the same period last year.

Total loss

Total loss for the six months ended June 30, 2015 was $1.5 million in line with total loss in the same period last year. The loss from discontinued operations for the six months ended June 30, 2015 and 2014 relate to losses from our investment in InterCure, a former subsidiary.

Significant Accounting Policies

We describe our significant accounting policies more fully in Note 2 to our consolidated financial statements for the year ended December 31, 2014.

In addition, when we cease to have control of a subsidiary, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset.

The discussion and analysis of our financial condition and results of operations is based on our financial statements, which we prepare in accordance with IFRS as issued by the IASB. The preparation of these financial statements requires us to make estimates and assumptions that have an effect on the application of our accounting policies and on the reported amounts of assets, liabilities and expenses. Actual results could differ from those estimates.

Liquidity and Capital Resources

We have financed our operations from inception primarily through various proceeds from various private and public offerings of our securities and option and warrant exercises. As of June 30, 2015, we had received net proceeds of approximately $80.2 million from various private placement transactions, including net proceeds of approximately $1.5 million from the Bio-Gal transaction in August 2010, net proceeds of approximately $45.7 million from our initial public offering in September 2000, net proceeds of approximately $15.4 million from the 2004 placing and open offer transaction, net proceeds of approximately $1.75 million from our public offering on TASE in March 2011, net proceeds of approximately $3.4 million from our registered direct offering on Nasdaq in April 2015, and proceeds of approximately $4.0 million from the exercise of options and warrants.

The discussion of our liquidity and capital resources below excludes any balances in InterCure, as it is considered a discontinued operation as of December 31, 2014.

As of June 30, 2015, we had approximately $4.8 million in cash and cash equivalents, an increase of approximately $ 2.7 million from December 31, 2014.

Net cash used in operating activities for the six months ended June 30, 2015 was $0.9 million, compared to net cash used in operating activities of $1.3 million for the six months ended June 30, 2014. The decrease in net cash used in operating activities mainly arises from non-cash adjustments related to the disposal of InterCure, a former subsidiary.

Net cash provided by investing activities for the six months ended June 30, 2015 was $0.01 million compared to net cash provided by investing activities of $0.8 million for the six months ended June 30, 2014. The decrease in net cash provided by investing activities is primarily due to proceeds from the sale of Proteologics and the release of short-term bank deposits in the first half of 2014.

Net cash provided by financing activities for the six months ended June 30, 2015 was $3.6 million compared to net cash provided by investing activities of $0.3 million for the six months ended June 30, 2014. The increase in net cash provided by investing activities is primarily due to our registered direct offering in April 2015 that resulted in approximately $3.4 million in net proceeds.

We have incurred continuing losses and depend on outside financing resources to continue our activities. Based on existing business plans, our management estimates that our outstanding cash and cash equivalent balances will allow us to finance our activities for an additional period of at least 12 months from the date of this report. However, the amount of cash which we will need in practice to finance our activities depends on numerous factors which include, but are not limited to, the timing, planning and execution of clinical trials of existing drugs and future projects which we might acquire or other business development activities such as acquiring new technologies and/or changes in circumstances which are liable to cause significant expenses to us in excess of management's current and known expectations as of the date of these financial statements and which will require us to reallocate funds against plans, also due to circumstances beyond our control.

We expect to incur additional losses through the end of 2015 and beyond arising from research and development activities, testing additional technologies and operating activities, which will be reflected in negative cash flows from operating activities. In order to perform the clinical trials aimed at developing a product until obtaining its marketing approval, we may be required to raise additional funds in the future by issuing securities. Should we fail to raise additional capital in the future under standard terms, we will be required to minimize our activities or sell or grant a sublicense to third parties to use all or part of its technologies.

Research and Development, Patents and Licenses, Etc.

Research and development costs in 2014, 2013 and 2012 and for the six months ended June 30, 2015 substantially derived from costs related to the development of our clinical assets. As part of the preparations in 2014 and during the six months ended June 30, 2015, we engaged regulatory and clinical consultants and commenced work on CMC, including production and testing of the drug substance for hCDR1. As part of the preparations for rHuEPO, we engaged regulatory and other consultants and conducted a study which consists of collecting preliminary data on the existence of specific proteins in the blood of a group of multiple myeloma patients. The costs of such preparations comprise of, among other things, costs in connection with medical regulation, patent registration costs, medical consulting costs and payments to medical centers.

hCDR1 for the Treatment of SLE

We intend to initiate an advanced clinical trial, which will include the 0.5 mg (and a 0.25 mg) weekly dose. We estimate that the trial will take one year to enroll patients, another year to conduct treatment, and additional time to analyze the results for a total of approximately two and a half years.

rHuEPO for the Treatment of Multiple Myeloma

The preliminary plan received as part of the Bio-Gal transaction, included plans to perform a prospective, multi-center, open-label, Phase 2 study intended to assess safety of rHuEPO when given to patients with advanced multiple myeloma and demonstrate its effects on survival, biological markers related to the disease, immune improvements and quality of life.

While we have had preliminary discussions with the FDA, drug suppliers and third party vendors for the planned study, we have not determined the final size and scope of the study, and as a result, it is too early to estimate the clinical trial period and cost to complete the study.

The following table sets forth the research and development costs for the years 2014, 2013 and 2012 and for the six months ended June 31, 2015 including all costs related to the clinical-stage projects, our pre-clinical activities, and all other research and development. We in-licensed hCDR1 in January 2014 and started preparations for clinical development of this asset during 2014. We started preparations for rHuEPO clinical development in the last quarter of 2010 (after the completion of the Bio-Gal transaction on August 2010). We in-licensed SAM-101 in November 2011 and in June 2015 decided to discontinue further development in order to focus on the development of hCDR1 and rHuEPO.

Research and Development Expenses in thousand $				
	Six months ended June 30,	Year ended December 31,		
	2015	2014	2013	2012
hCDR1	106	206	9	-
rHuEPO	5	37	57	92
SAM-101	-	25	16	-
Other	-	10		
Total Research and Development	111	278	82	92

While we are currently focused on advancing each of our product development projects, our future research and development expenses will depend on the clinical success of each product candidate, as well as ongoing assessments of each product candidate's commercial potential. In addition, we cannot forecast with any degree of certainty which product candidates may be subject to future out-licensing arrangements, when such out-licensing arrangements will be secured, if at all, and to what degree such arrangements would affect our development plans and capital requirements.

As we obtain results from clinical trials, we may elect to discontinue or delay clinical trials for certain product candidates or projects in order to focus our resources on more promising product candidates or projects. Completion of clinical trials by us or our licensees may take several years or more, but the length of time generally varies according to the type, complexity, novelty and intended use of a product candidate.

The cost of clinical trials may vary significantly over the life of a project as a result of differences arising during clinical development, including, among others:

- the number of sites included in the clinical trials;
- the length of time required to enroll suitable patients;
- the number of patients that participate in the clinical trials;
- the duration of patient follow-up;
- the development stage of the product candidate; and
- the efficacy and safety profile of the product candidate.

We expect our research and development expenses to increase in the future from current levels as we continue the advancement of our clinical trials and preclinical product development and to the extent we in-license new product candidates. The lengthy process of completing clinical trials and seeking regulatory approval for our product candidates requires expenditure of substantial resources. Any failure or delay in completing clinical trials, or in obtaining regulatory approvals, could cause a delay in generating product revenue and cause our research and development expenses to increase and, in turn, have a material adverse effect on our operations. Because of the factors set forth above, we are not able to estimate with any certainty when we would recognize any net cash inflows from our projects.

Trend Information.

We are a development stage company and it is not possible for us to predict with any degree of accuracy the outcome of our research, development or commercialization efforts. As such, it is not possible for us to predict with any degree of accuracy any significant trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on our net sales or revenues, income from continuing operations, profitability, liquidity or capital resources, or that would cause financial information to not necessarily be indicative of future operating results or financial condition. However, to the extent possible, certain trends, uncertainties, demands, commitments and events are identified in the preceding subsections.

Off-Balance Sheet Arrangements.

We have not entered into any transactions with unconsolidated entities whereby we have financial guarantees, subordinated retained interests, derivative instruments or other contingent arrangements that expose us to material continuing risks, contingent liabilities, or any other obligations under a variable interest in an unconsolidated entity that provides us with financing, liquidity, market risk or credit risk support.

XTL BIOPHARMACEUTICALS LTD.

INTERIM FINANCIAL INFORMATION

AS OF JUNE 30, 2015

UNAUDITED

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CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	June 30,		December 31,
	2015	2014	2014
	Unaudited		Audited
	U.S. dollars in thousands		
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	4,820	2,676	2,159
Short-term deposits	-	584	-
Marketable securities	281	-	-
Trade receivables	-	144	-
Other accounts receivable	124	531	437
Restricted deposits	32	188	21
Inventories	-	301	-
	5,257	4,424	2,617
Assets of disposal group classified as held for sale	-	-	505
	5,257	4,424	3,122
NON-CURRENT ASSETS:			
Property, plant and equipment, net	22	27	24
Intangible assets, net	2,582	2,773	2,498
	2,604	2,800	2,522
Total assets	7,861	7,224	5,644

The accompanying notes are an integral part of the financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	June 30,		December 31,
	2015	2014	2014
	Unaudited		Audited
	U.S. dollars in thousands		
LIABILITIES AND EQUITY			
CURRENT LIABILITIES:			
Trade payables	61	525	217
Other accounts payable	170	823	298
	231	1,348	515
Liabilities of disposal group classified as held for sale	-	-	450
	231	1,348	965
NON-CURRENT LIABILITIES:			
Employee benefit liabilities	-	27	-
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY:			
Ordinary share capital	6,606	6,180	6,198
Share premium and options	150,748	148,146	148,276
Accumulated deficit	(149,744)	(147,126)	(148,322)
Treasury shares	-	(1,501)	(1,501)
Reserve from transactions with non-controlling interests	20	9	9
	7,630	5,708	4,660
Non-controlling interests	-	141	19
Total equity	7,630	5,849	4,679
Total liabilities and equity	7,861	7,224	5,644

The accompanying notes are an integral part of the financial statements.

David Bassa	Josh Levine	David Kestenbaum
Chairman of the Board	Chief Executive Officer	Chief Financial Officer

Date of approval of the financial statements by the Company's Board: August 31, 2015.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

	Six months ended June 30,		Three months ended June 30,		Year ended December 31,
	2015	2014	2015	2014	2014
	Unaudited				Audited
	U.S. dollars in thousands (except per share data)				
Research and development expenses	(111)	(81)	(69)	(34)	(278)
General and administrative expenses	(746)	(916)	(412)	(369)	(1,744)
Operating loss	(857)	(997)	(481)	(403)	(2,022)
Finance income	19	22	14	20	41
Finance expenses	(205)	(5)	40	-	(138)
Finance income (expenses), net	(186)	17	54	20	(97)
Loss from continuing operations	(1,043)	(980)	(427)	(383)	(2,119)
Loss from discontinued operations	(460)	(491)	-	(327)	(746)
Total loss for the period	(1,503)	(1,471)	(427)	(710)	(2,865)
Loss for the period attributable to:					
Equity holders of the Company	(1,505)	(1,249)	(427)	(563)	(2,527)
Non-controlling interests	2	(222)	-	(147)	(338)
	(1,503)	(1,471)	(427)	(710)	(2,865)
Basic and diluted loss per share from continuing and discontinued operations (in U.S. dollars):					
From continuing operations	(0.004)	(0.004)	(0.001)	(0.001)	(0.009)
From discontinued operations	(0.002)	(0.001)	-	(0.001)	(0.002)
Loss per share for the period	(0.006)	(0.005)	(0.001)	(0.002)	(0.011)

The accompanying notes are an integral part of the financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Six months ended June 30, 2015							
	Attributable to equity holders of the Company							
	Share capital	Share premium and options	Accumulated deficit	Treasury shares	Reserve from transactions with non-controlling interests	Total	Non-controlling interests	Total equity
	U.S. dollars in thousands							
Balance as of January 1, 2015 (audited)	6,198	148,276	(148,322)	(1,501)	9	4,660	19	4,679
Loss for the period	-	-	(1,505)	-	-	(1,505)	2	(1,503)
Share-based payment to employees and others	-	-	83	-	-	83	-	83
Issuance of shares and warrants	408	3,059	-	-	-	3,467	-	3,467
Sale of subsidiary shares	-	-	-	-	-	-	-	-
Deconsolidation of subsidiary	-	(587)	-	1,501	11	925	(21)	904
Balance as of June 30, 2015 (unaudited)	6,606	150,748	(149,744)	-	20	7,630	-	7,630

The accompanying notes are an integral part of the financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Six months ended June 30, 2014							
	Attributable to equity holders of the Company							
	Share capital	Share premium and options	Accumulated deficit	Treasury shares	Reserve from transactions with non-controlling interests	Total	Non-controlling interests	Total equity
	U.S. dollars in thousands							
Balance as of January 1, 2014 (audited)	6,093	148,327	(146,073)	(2,091)	9	6,265	520	6,785
Loss for the period	-	-	(1,249)	-	-	(1,249)	(222)	(1,471)
Total comprehensive loss	-	-	(1,249)	-	-	(1,249)	(222)	(1,471)
Share-based payment to employees and others	-	-	196	-	-	196	6	202
Share-based payment to vendor	*)	37	-	-	-	37	-	37
Sale of treasury shares	-	(197)	-	590	-	393	(163)	230
Exercise of warrants and stock options into shares	87	(21)	-	-	-	66	-	66
Balance as of June 30, 2014 (unaudited)	6,180	148,146	(147,126)	(1,501)	9	5,708	141	5,849

*) Represents an amount lower than USD 1 thousand.

The accompanying notes are an integral part of the financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Three months ended June 30, 2015				
	Share capital	Share premium and options	Accumulated deficit	Reserve from transactions with non-controlling interests	Total
	U.S. dollars in thousands				
Balance as of April 1, 2015 (unaudited)	6,206	147,765	(149,354)	20	4,637
Loss for the period	-	-	(427)	-	(427)
Share-based payment to employees and others	-	-	37	-	37
Issuance of shares and warrants	400	2,983	-	-	3,383
Sale of subsidiary shares	-	-	-	-	-
Deconsolidation of subsidiary	-	-	-	-	-
Balance as of June 30, 2015 (unaudited)	6,606	150,748	(149,744)	20	7,630

The accompanying notes are an integral part of the financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Three months ended June 30, 2014							
	Attributable to equity holders of the Company							
	Share capital	Share premium and options	Accumulated deficit	Treasury shares	Reserve from transactions with non-controlling interests	Total	Non-controlling interests	Total equity
	U.S. dollars in thousands							
Balance as of April 1, 2014 (unaudited)	6,093	148,167	(146,626)	(1,501)	9	6,142	286	6,428
Loss for the period	-	-	(563)	-	-	(563)	(147)	(710)
Other comprehensive loss	-	-	-	-	-	-	-	-
Total comprehensive loss	-	-	(563)	-	-	(563)	(147)	(710)
Share-based payment to employees and others	-	-	63	-	-	63	2	65
Issuance of shares	-	-	-	-	-	-	-	-
Sale of treasury shares	-	-	-	-	-	-	-	-
Exercise of warrants and stock options into shares	87	(21)	-	-	-	66	-	66
Balance as of June 30, 2014 (unaudited)	6,180	148,146	(147,126)	(1,501)	9	5,708	141	5,849

The accompanying notes are an integral part of the financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Year ended December 31, 2014							
	Attributable to equity holders of the Company							
	Share capital	Premium on shares, options and warrants	Accumulated deficit	Treasury shares	Reserve from transactions with non-controlling interests	Total	Non-controlling interests	Total equity
	U.S. dollars in thousands							
Balance as of January 1, 2014 (audited)	6,093	148,327	(146,073)	(2,091)	9	6,265	520	6,785
Total comprehensive loss	-	-	(2,527)	-	-	(2,527)	(338)	(2,865)
Share-based payment to employees and others	-	-	278	-	-	278	-	278
Issuance of shares	14	158	-	-	-	172	-	172
Sale of treasury shares	-	(197)	-	590	-	393	(163)	230
Exercise of options into shares	91	(12)	-	-	-	79	-	79
Balance as of December 31, 2014 (audited)	6,198	148,276	(148,322)	(1,501)	9	4,660	19	4,679

The accompanying notes are an integral part of the financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six months ended June 30,		Three months ended June 30,		Year ended December 31,
	2015	2014	2015	2014	2014
	Unaudited				Audited
	U.S. dollars in thousands				
Cash flows from operating activities:					
Loss for the period	(1,503)	(1,471)	(427)	(710)	(2,865)
Adjustments to reconcile loss to net cash used in operating activities (a)	578	130	(87)	166	395
Net cash used in operating activities	(925)	(1,341)	(514)	(544)	(2,470)
Cash flows from investing activities:					
Proceeds from sale of investment in associate	-	291	-	-	291
Sale of investment in subsidiary	20	-	-	-	-
Increase in restricted deposit	(11)	(165)	(12)	(165)	2
Decrease (increase) in short-term bank deposits	-	701	-	703	1,216
Purchase of property, plant and equipment	(2)	(10)	(2)	(4)	(10)
Purchase of intangible assets	-	-	-	-	-
Other investments	-	-	-	4	-
Net cash provided by (used in) investing activities	7	817	(14)	538	1,499
Cash flows from financing activities:					
Sale of treasury shares	-	230	-	-	230
Proceeds from issuance of shares and warrants	3,559	-	3,559	-	-
Proceeds from exercise of stock options into shares	-	66	-	66	79
Net cash provided by financing activities	3,559	296	3,559	66	309
Increase (decrease) in cash and cash equivalents	2,641	(228)	3,031	60	(662)
Gains (losses) from exchange rate differences on cash and cash equivalents	20	17	36	21	(14)
Reclassification of cash in subsidiary to assets of disposal group held for sale	-	-	-	-	(52)
Cash and cash equivalents at the beginning of the period	2,159	2,887	1,753	2,595	2,887
Cash and cash equivalents at the end of the period	4,820	2,676	4,820	2,676	2,159

The accompanying notes are an integral part of the financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six months ended June 30,		Three months ended June 30,		Year ended December 31,
	2015	2014	2015	2014	2014
	Unaudited				Audited
	U.S. dollars in thousands				
(a) Adjustments to reconcile loss to net cash used in operating activities:					
Income and expenses not involving cash flows:					
Depreciation and amortization	4	32	2	11	53
Impairment of fixed and intangible assets in subsidiary	-	141	-	141	142
Share-based payment transactions to employees and others	83	202	37	65	278
Revaluation of short-term deposits	-	(7)	-	(12)	62
Exchange rate differences on operating activities	(20)	(17)	(36)	(21)	14
Disposal of investment in subsidiary	464	-	-	-	-
Change in employee benefit liabilities, net	-	16	-	17	12
Change in marketable securities fair value	194	-	(24)	-	-
Gain from sale of investment in associate	-	-	-	-	-
	725	367	(21)	201	561
Changes in operating asset and liability items:					
Decrease (increase) in trade receivables	-	(18)	-	(29)	58
Decrease (increase) in other accounts receivable	110	(349)	52	42	(130)
Decrease (increase) in inventories	-	1	-	(93)	184
Increase (decrease) in trade payables	(174)	(90)	(128)	147	(210)
Increase (decrease) in other accounts payable	(83)	219	10	(103)	(68)
	(147)	(237)	(66)	(36)	(166)
	578	130	(87)	165	395
(b) Additional information on cash flows from operating activities:					
Interest received	-	3	-	3	9

The accompanying notes are an integral part of the financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six months ended June 30,		Three months ended June 30,		Year ended December 31,
	2015	2014	2015	2014	2014
	Unaudited				Audited
	U.S. dollars in thousands				
(c) Non-cash activities:					
Purchase of property, plant and equipment and intangible assets on suppliers' credit	-	-	-	-	-
Allotment of shares to Aurum	-	-	-	-	-
Conversion of convertible loan into capital in subsidiary	50	-	-	-	-
Share-based payment for intangible assets	84	37	-	-	-
Receivables from sale of investment in associate	-	-	-	-	-

	Six months ended June 30,		Three months ended June 30,		Year ended December 31,
	2015	2014	2015	2014	2014
	Unaudited				Audited
	U.S. dollars in thousands				
Disposal of consolidated subsidiary (see Note 5):					
Non-current assets held for sale	507	-	-	-	-
Non-current liabilities held for sale	(449)	-	-	-	-
Disposal of treasury shares	1,501	-	-	-	-
Negative premium from disposal of treasury shares	(587)	-	-	-	-
Investment in associate at fair value	(482)	-	-	-	-
Loss from disposal of subsidiary	(464)	-	-	-	-
Non-controlling interests	(26)	-	-	-	-
	-	-	-	-	-

The accompanying notes are an integral part of the financial statements.

NOTE 1:- GENERAL

a. A general description of the Company and its activity:

XTL Biopharmaceuticals Ltd. (the "**Company**") is engaged in the development of therapeutics for the treatment of unmet medical needs. The Company was incorporated under the Israeli Companies Law on March 9, 1993. The registered office of the Company is located at 5 HaCharoshet Street, Raanana 43656.

The Company's American Depository Shares ("**ADSs**") are listed for trading on the Nasdaq Capital Market and its ordinary shares are traded on the Tel-Aviv Stock Exchange ("**TASE**").

On July 25, 2012, the Company completed the acquisition of approximately 50.79% of the issued and outstanding share capital of InterCure Ltd. ("**InterCure**"), a public company whose shares are traded on the TASE. As of June 30, 2015, the Company held approximately 5.82% of InterCure's issued and outstanding share capital. For additional information, see Note 5 below.

The Company is in the planning stages and is undertaking various activities, regulatory and other, in order to perform a phase 2 clinical trial in hCDR1, a phase 2-ready asset for the treatment of Systemic Lupus Erythematosus ("**SLE**"). Based on the Company's current business plans and estimates, the clinical trial is expected to commence in the middle of 2016.

As of June 30, 2015, the Company has the following subsidiary:

Xtepo Ltd. – a private company incorporated in Israel which holds a license for the exclusive use of the patent for recombinant EPO ("**rHuEPO**") for the treatment of Multiple Myeloma patients.

NOTE 1:- GENERAL (Cont.)

b. The Company has incurred continuing losses and depends on outside financing resources to continue its activities. Based on existing business plans, the Company's management estimates that its outstanding cash and cash equivalent balances, including short-term deposits, will allow the Company to finance its activities for an additional period of at least 12 months from the date of approval of these financial statements. However, the amount of cash which the Company will need in practice to finance its activities depends on numerous factors which include, but are not limited to, the timing, planning and execution of clinical trials of existing drugs and future projects which the Company might acquire or other business development activities such as acquiring new technologies and/or changes in circumstances which are liable to cause significant expenses to the Company in excess of management's current expectations as of the date of these financial statements and which will require the Company to reallocate funds against plans, also due to circumstances beyond its control.

The Company expects to incur additional losses in 2015 arising from research and development activities, testing additional technologies and operating activities, which will be reflected in negative cash flows from operating activities. In order to perform the clinical trials aimed at developing a product until obtaining its marketing approval, the Company may be required to raise additional funds in the future by issuing securities. Should the Company fail to raise additional capital in the future under terms that are acceptable to the Company or at all, it will be required to minimize its activities or sell or grant a sublicense to third parties to use all or part of its technologies.

NOTE 2:- BASIS OF PREPARATION OF THE CONDENSED FINANCIAL STATEMENTS

a. The condensed consolidated financial information of the Company as of June 30, 2015 and 2014, and for the respective interim periods of three months then ended ("interim financial information") has been prepared in accordance with IAS 34, "Interim Financial Reporting" ("**IAS 34**") and includes the additional disclosure requirements in accordance with Chapter D of the Israeli Securities Regulations (Periodic and Immediate Reports), 1970. This interim financial information does not contain all the information and disclosures that are required in the framework of the annual financial statements. This interim financial information should be read in conjunction with the annual financial statements for 2014 and the accompanying notes which have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board, and include additional disclosure requirements in accordance with the Israeli Securities Regulations (Annual Financial Statements), 2010.

b. Estimates – the preparation of the interim financial statements requires the Company's management to make judgments and to use accounting estimates and assumptions that have an effect on the application of the Company's accounting policies and on the reported amounts of assets, liabilities and expenses. Actual results could differ from those estimates.

In the preparation of these condensed consolidated interim financial statements, the significant judgment exercised by management in applying the Company's accounting policies and the uncertainties involved in the key sources of the estimates were identical to those in the annual consolidated financial statements for the year ended December 31, 2014.

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES

The Company's significant accounting policies and methods of computation adopted in the preparation of the interim financial information are consistent with those followed in the preparation of the annual financial statements for 2014.

Disposal of subsidiary

(i) When the Company ceases to have control of a subsidiary, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset.

NOTE 4: SIGNIFICANT EVENTS DURING THE PERIOD

a. On January 21, 2015, the Company issued Yeda 802,912 ordinary shares of the Company of 0.1NIS par value each, as the second of six installments for the patent expenses reimbursement mentioned in Note 14g to the Company's 2014 financial statements, representing a value of approximately $ 84 thousand.

b. On February 1, 2015, the Company sold 2,166,667 shares of InterCure to a non-related third party, for an amount of approximately $ 17 thousand. As a result, the Company's holding in InterCure's issued and outstanding share capital decreased to approximately 49.87%.

c. On February 12, 2015, the outstanding loan of $ 50 thousand owed by InterCure to the Company was converted into 569,470 ordinary shares of InterCure, as part of the execution of the Agreement as presented in Note 5 to the Company's 2014 financial statements. After the conversion and the execution of the Agreement, the Company's holding in InterCure's issued and outstanding share capital decreased to 36.53%.

d. On February 12, 2015, the board of directors of the Company approved to grant Mr. David Kestenbaum, Company's Chief Financial Officer, with 100,000 non-tradable stock options, exercisable into 100,000 ordinary shares of the Company, 0.1 NIS par value each to Mr. Kestenbaum, with an exercise price of 0.40 NIS per-option. 50,000 options shall vest immediately following the grant date, and the remaining 50,000 options shall vest on a quarterly basis over a period of three years. The fair value of all the stock options according to the Black-Scholes model pursuant to IFRS 2 as of the date of grant was approximately $ 8,000.

e. On March 23, 2015, InterCure issued 37,804,012 ordinary shares as part of a rights offering, thus diluting the Company's holding in InterCure's issued and outstanding share capital to approximately 6.16%.

f. On March 25, 2015, an extraordinary general meeting of shareholders of the Company approved the following proposed resolutions:

   1. Nomination of Mrs. Osnat Hillel Fain and Mr. Oded Nagar as external independent directors for a term of three years, until March 22, 2018. Mrs. Hillel Fain and Mr. Nagar will each be granted monetary remuneration as set forth in the notice of the extraordinary general meeting of the Company, including the allotment of 150,000 non-tradable stock options, without consideration, exercisable into 150,000 ordinary shares of the Company, NIS 0.1 par value each, with an exercise price of 0.40 NIS per-option. 50,000 options shall vest following the lapse of twelve months from the grant date, and the remaining 100,000 options shall vest on a quarterly basis over a period of two years. The fair value of all the stock options according to the Black-Scholes model pursuant to IFRS 2 as of the date of grant was approximately $ 25,000.

NOTE 4: SIGNIFICANT EVENTS DURING THE PERIOD (Cont.)

2. Revision of the compensation of Mr. Josh Levine, Company's Chief Executive Officer, by means of an allocation of 100,000 non-tradable stock options, exercisable into 100,000 ordinary shares of the Company, 0.1 NIS par value each to Mr. Levine, with an exercise price of 0.40 NIS per-option. 50,000 options shall vest immediately following the grant date, and the remaining 50,000 options shall vest on a quarterly basis over a period of three years. The fair value of all the stock options according to the Black-Scholes model pursuant to IFRS 2 as of the date of grant was approximately $ 8,000.

g. On March 31, 2015, the Company and Green Forest mutually agreed to terminate the voting agreement signed by the parties on February 12, 2015. Following said termination, the directors appointed by the Company resigned from the board of directors of InterCure.

h. In April 2015, the Company raised an amount of $ 4.0 million by means of issuing a total of 1,777,778 ADSs to several investors. In addition, under the share purchase agreements, the investors received unregistered warrants to purchase 888,889 ADSs. The warrants may be exercised at any time for a period of five and one-half years from issuance and have an exercise price of $2.25 per ADS, subject to adjustment as set forth therein.

i. On April 2, 2015, InterCure issued the Second Round Allotted Shares as per the Agreement, thus diluting the Company's holding in InterCure's issued and outstanding share capital to approximately 5.82%.

j. On June 1, 2015, the board of directors of the Company approved to grant the Chief Financial Officer of the Company with 200,000 non-tradeable stock options, exercisable into 200,000 ordinary shares of the Company, 0.1 NIS par value each, with an exercise price of 0.4283 NIS per-option. 1/3 of the options shall vest following the lapse of twelve months from the grant date, and the remaining 2/3 of the options shall vest on a quarterly basis over a period of two years. The fair value of all the stock options according to the Black-Scholes model pursuant to IFRS 2 as of the date of grant was approximately $ 14,000.

NOTE 5: DECONSOLIDATION OF SUBSIDIARY

In November 2014, InterCure announced that its Audit Committee and Board of Directors approved the signing of an agreement with Green Forest Global Ltd. (the "**Agreement**" and "**Green Forest**", respectively) a company wholly owned by Mr. Alexander Rabinovitch, an interested party in the Company.

Pursuant to the Agreement, following a reverse split in InterCure shares at a 10:1 ratio, Green Forest will be allotted 2,622,647 ordinary shares of InterCure (the "**First Round Allotted Shares**") representing 34.23% of the issued and outstanding shares of InterCure at the time of the allotment for an investment of $ 230 thousand. Further, upon InterCure's shares return to the main list of the TASE, an additional 2,622,648 ordinary shares of InterCure will be allotted to Green Forest for an additional investment of $ 230 thousand (the "**Second Round Allotted Shares**").

In addition, at the time of and as a condition for the completion of the transaction, the outstanding loan of $ 50 thousand owed by InterCure to the Company will be converted to 569,470 ordinary shares of InterCure.

On December 23, 2014, the extraordinary general meeting of InterCure approved the Agreement. Accordingly, InterCure's net assets were reclassified in the Company's financial statements for the year ended December 31, 2014, and grouped into two separate items: *Assets of Disposal Group Classified as Held for Sale* and *Liabilities of Disposal Group Classified as Held for Sale*, in accordance with guidelines set forth in IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations*.

The Agreement turned effective as of February 12, 2015. After the issuance of the 2,622,647 First Round Allotted Shares, as well as the conversion of the loan granted to InterCure into 569,470 ordinary shares of InterCure, the Company's holdings in InterCure were diluted to 36.53% of the issued and outstanding share capital of InterCure, representing a loss of effective control in InterCure as of that date.

As a result of the accounting treatment for the deconsolidation of InterCure, the Company recorded a loss from discontinued operations of $ 464 thousand. In addition, the Company recorded its remaining investment in InterCure shares at a fair value of $ 482 thousand, as quoted on the TASE as of the loss of control date.

On March 23, 2015, InterCure issued 37,804,012 ordinary shares as part of a rights offering, thus diluting the Company's holding in InterCure's issued and outstanding share capital to approximately 6.16%.

On April 2, 2015, InterCure issued the Second Round Allotted Shares, thus diluting the Company's holding in InterCure's issued and outstanding share capital to approximately 5.82%.

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SIGNATURES.

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

XTL BIOPHARMACEUTICALS LTD.

Date: September 21, 2015

By: /s/ Josh Levine
Josh Levine
Chief Executive Officer