BioLight Israeli Life Sciences Investments Ltd.

Interim Report

As of September 30, 2014

The Company is a "small corporation", as this term is defined in the Amendment to the Securities Regulations (Periodic and Immediate Reports), 5730-1970 (the "Amendment"). On March 13, 2014, the Company's Board of Directors resolved to adopt all the existing or future reliefs granted to small corporations' as included in regulation 5d of the Amendment, as follows: (a) Annulment of the obligation to publish a report on internal control and an auditors' report on internal control, thereby allowing the Company to attach only letters of representation that are limited in scope; (b) Raising the materiality threshold for attaching valuations; (c) Raising the threshold for attaching the financial statements of material consolidated companies to the interim reports to 40%; (d) Exemption from the implementation of the provisions of the Second Schedule of the Report Regulations (details of exposure to market risks and methods used to manage them - "the Galai Report") for small corporation whose exposure to market risks arising from financial instruments is immaterial, in accordance with material thresholds determined in the Amendment.

Part A

Board of Directors' Report on the State of Affairs of the Corporation

for the period ended on September 30, 2014

In accordance with the Securities Regulations (Periodic and Immediate Reports), 5730-1970, Bio Light Israeli Life Sciences Investments Ltd. (the "**Company**") hereby respectfully submits the Board of Directors' Report on the state of affairs of the Company for the period ended on September 30, 2014 and for the three and nine month periods ended on said date (The "**Interim Period**" and the "**Board of Directors' Report for the Interim Period**", respectively). The Board of Directors' Report for the Interim Period is attached to the consolidated interim financial statements (the "**Interim Financial Statements**") under the assumption that said Interim Financial Statements are available to its readers.

Chapter I – The Board of Directors' Explanations on the Company's State of Affairs, Results of Operations, Equity and Cash Flow

A. Summary Description of the Company

The Company invests in, manages and commercializes biomedical innovations grouped around defined medical conditions - ophthalmology and cancer diagnostics.

As of the date of this report, the Company has two main fields of operations as follows:

- **The Glaucoma and Dry Eye** –The glaucoma and dry eye portfolio includes three technologies as described below: (a) the subsidiary IOPtima Ltd. ("**IOPtima**"), engaged in the development and marketing of the IOPtiMate™, a device based on CO_2 laser technology enabling the performance of non-invasive filtration surgery for Glaucoma[1] patients; (b) the subsidiary ViSci Ltd. ("**ViSci**"), engaged in research and development of the EyeD®,, an intraocular drug insert for the controlled release of ophthalmic medication; (c) the subsidiary DiagnosTear Ltd. ("**DiagnosTear**"), engaged in the development of a diagnostic kit, the TeaRx, intended to enable diagnosis, personalized treatment and monitoring success of treatment of dry eye syndrome by testing tear fluid. IOPtima, ViSci and Diagnostear are held via X L Vision Sciences Ltd. ("**X L Vision**"), a company incorporated for the purpose of grouping this technologies, and is wholly-owned by the Company.

- **The Cancer Diagnostics** - Micromedic Technologies Ltd. ("**Micromedic**") include the activity of the cancer diagnostics field. Bio Light is a controlling shareholder of Micromedic, holding as of the date of the report, approximately 39.61% of its issued and outstanding share capital. Micromedic's activities as of the date of the report are as follows:

  (a) Development and commercialization of the CellDetect®, a diagnostic technology for staining and identifying cancerous and precancerous cells

[1] A disease that creates intraocular pressure which damages the optic nerve and which may lead to full or partial blindness.

in several cancer indications. Such activity is mainly performed through Zetiq Technologies Ltd. ("**Zetiq**")[2] .

(b) Development and commercialization of a novel diagnostic kit for the identification of a genetic profile which may increase the risk of developing a devastating side effect (**BRONJ**) resulting from treatment with bisphosphonate drugs.

(c) Recruitment of a strategic partner for the continued development of a novel diagnostic kit for identification of carriers of deleterious BRCA mutations that increase the risk of developing breast and ovarian cancer. Such activity is mainly performed by BioGen Ltd. ("**BioGen**")[3].

(d) Recruitment of strategic partners for the completion of development and commercialization of a diagnostic kit for early detection of colorectal cancer in blood tests employing the q-PCR method. Such activity is mainly performed by Bio-MarCare Technologies Ltd. ("**BioMarCare**")[4].

(e) Participation in the financing of a NOFAR program researching the prediction of the development of brain metastasis by lung cancer patients.

B. <u>Material changes and innovations that transpired in the Company's business</u>

Below is a description of the main developments transpiring in the Company's business in the Interim Period, and since the issuance of the Company's periodic report for 2013 and the quarterly reports issued thereafter.[5] The description below includes references to additional reports issued by the Company, which are included herein by reference. The description below also includes "forward-looking information", as such term is defined in the Securities Law, 5728-1968. Forward-looking information is uncertain information regarding the future, that is based on information possessed by the Company at the date of the report and includes the Company's estimates or intentions as of the date of the report. The actual results may be materially different from the results that may be estimated or implied by such information.

1. <u>Activity in the Capital Market</u>

1.1. In Q3/2014, and as part of the Company's activity in capital markets outside of its current primary capital market in Israel, , Level 1 American Depository Receipts (ADRs) of the Company continued to be listed over-

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2 Micromedic holds 100% of Zetiq's issued and outstanding share capital.

3 Micromedic holds approx. 90% of BioGen's issued and outstanding share capital.

4 Micromedic holds approx. 33% % of BioMarCare's issued and outstanding share capital.

5 The Company's Periodic Report for 2013 was issued on March 31, 2014 (reference no. 2014-01-032901) (the "**Annual Report**"), the Q1/2014 report was issued on May 28, 2014 (reference no. 2014-01-075513) ("**Q1/2014 Report**") and the Q2/2014 report was issued on August 28, 2014 (reference no. 2014-01-145857) ("**Q2/2014 Report**").

the-counter in the U.S. The trading takes place on the OTCQX trading platform in the U.S.

1.2. Commencing as of June 15, 2014, the Company is included in the TA-Biomed Index and in the TA BlueTech-50 Index.

1.3. Concurrently with such activity, the Company continues public relations and investor relations activities in capital markets in Israel and overseas (mainly in the U.S.), together with IR/PR firms. From the beginning of 2014, the Company presented and participated in capital market conferences in Israel and in the U.S. Information regarding participation in conferences may be found on the Company's website.

2. **The Glaucoma and Dry Eye Portfolio**

2.1. The IOPtiMate™ Technology

In Q3/2014 and up to the date of filing hereof, the subsidiary IOPtima continued to focus on intensive marketing campaign to leading physicians and medical centers mainly in Asia and also in other selected territories for the IOPtiMate™ system. As a result of such campaign, IOPtima made a first sale of the IOPtiMate™ system in Hong Kong. The system was sold to the University Medical Center in Hong Kong and was supplied in November 2014, and its related income will be recognized during Q4/2014. The sale of the first system in Hong Kong is consistent with the marketing activity carried out by IOPtima in developing markets, and namely in Asia, as part of the Company's strategy to focus on large markets in which there is a real need for better effective and safer solutions for treating glaucoma[6]. It shall be noted that in the framework of such activity, IOPtima installed an additional system on a trial basis in an additional medical center in Hong Kong in November 2014.

Concurrently with the activity in Hong Kong, and following an engagement in a distribution agreement with a Chinese Distributor in May 2014 (the "**Distributor**")[7], IOPtima recently initiated marketing activity with leading physicians and medical centers in the Chinese market, which is considered the largest Glaucoma market in the world, and is a central market in the Company's strategy. The Distributor recently purchased two systems which are being used for training and practice of surgeons in leading hospitals in China.

In addition, in November 2014, IOPtima engaged in an agreement for the performance of a pilot in respect of the system in Thailand. The pilot is expected to last several months. The objective of the pilot is to lead to future engagements in distribution agreements in Thailand.

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[6] The Company's immediate report dated September 9, 2014 (reference no. 2014-01-154188).

[7] The Company's immediate report dated May 29, 2014 (reference no. 2014-01-078492)

Also in November 2014, IOPtima made a first sale of the IOPtiMate™ system in Poland to a medical center located in Poland following a successful product trial. In parallel, the Company is negotiating a distribution agreement in Poland with a local distributor for the purpose of promoting the sale and marketing activity of the system in Poland. In Israel, during the period of the report, IOPtima filed an application for the inclusion of the procedure in the healthcare basket.

For additional details regarding IOPtima see Section 4.2 of the Annual Report, Section 2.1 of the Q1/2014 Report and Section 2.1 of the Q2/2014 Report.

2.2. The EyeD®,Technology

As of the date of this report, ViSci continues to conduct clinical studies in humans in the U.S (Phase I/IIa) in respect of the insert for the controlled release insert for treating Glaucoma using Lataprost (the "**Insert**"). Visci expects the study enrollment will be completed during the first half of 2015. This updated enrollment timeline is as a result of slower than expected enrollment rate during the Interim Period and as of the date of this report, which is attributed to a higher than expected ineligibility rate of patients following the initial wash-out and screen period.

For additional details regarding ViSci see Section 4.3 of the Annual Report, Section 2.2 of the Q1/2014 Report and Section 2.2 of the Q2/2014 Report.

2.3. The TeaRx Technology

In Q3/2014, the subsidiary DiagnosTear conducted clinical trials in human tears in Israel and in the U.S. for the purpose of examining the efficacy of the unique testing methods developed by DiagnosTear on tear fluid of patients and healthy subjects. DiagnosTear is currently performing a statistical analysis of the trials' results and expects to complete the analysis by the end of the year. Based on the results of such clinical trials, DiagnosTear will reassure its development plans and regulatory pathway.

For additional details regarding Diagnostear see Section 4.4 of the Annual Report Section 2.3 of the Q1/2014 Report, and Section 2.3 of the Q2/2014 Report.

3. **The Cancer Diagnostics Portfolio**

3.1. The CellDetect™ Technology Platform

Activity in China - Kit for the Detection and Diagnosis of Cervical Cancer

In March 2013, Micromedic's subsidiary, Zetiq, engaged with Biomics Biotechnologies Co. Ltd., a company incorporated under the laws of the People's Republic of China ("**Biomics**") in an agreement for the supply and distribution in China of the Zetiq's CellDetect® product for detecting and identifying cervical cancer (the "**Product**" or the "**Kit**").

As a first step in the promotion of the penetration of the Product in the Chinese market, Biomic performed pilots in respect of the Product in two leading hospitals in Beijing. Micromedic reported on February 2014, that positive results have been received from the pilot in Union Medical College Hospital, which, to the best of Micromedic's knowledge, is a leading hospital in Beijing. For Additional details regarding the results received, please see press release dated February 3, 2014, published on the Company's website . In October 2014, Micromedic reported that final positive results were also obtained from the second pilot which was held at the Military General Hospital of Beijing, a central military hospital in China.

Due to the need to expand market penetration of the Product following the successful pilots and related endorsement letters issued in China, and due to Micromedic's evaluation of the limited capabilities of the current distributor and its inability, at this stage, to complete the order and meet the 2014 sales targets, the Company is pro actively in serch for other partners in order to expend its distribution channels in China. In such context, during the course of November 2014, Micromedic entered into a letter of intent with a leading network of laboratories in China for the performance of a pilot in respect of the Product, with a view to examine various ways for cooperation between Micromedic and such network.

Activity in India

During June 2014, Zetiq engaged Genetix Biotech Asia (P) Ltd., a company incorporated under the laws of India ("**Genetix**"), in a memorandum of understandings for a collaboration towards the engagement in an agreement for the marketing and distribution of the cervical cancer diagnostic kit in India. Pursuant to the MOU, Genetix will initially act to receive all regulatory approvals for the import, marketing and distribution of the kit in India. Should the regulatory approvals be obtained within the timeframe prescribed therefor in the MOU, the parties shall enter into a distribution agreement in India, in the framework of which Genetix will be granted a right to distribute, promote and market the Kit in India for a period of three years, subject to Genetix achieving certain milestones as shall be agreed upon by the parties, including the achievement of minimal purchase targets of the Kit. In August 2014, Genetix informed the Company that it received a license for importing the product for the purpose of conducting examinations by local regulatory entities. As of the date of the report, Genetix is engaged in obtaining the required regulatory approvals. For the purpose of obtaining such approvals, Micromedic intends to send Kits to India in December 2014.

In addition, Zetiq executed a memorandum of understandings towards an engagement in a commercial collaboration agreement with HealthCare Global Enterprises Ltd. ("**HCG**"), an Indian corporation owning a chain of oncological hospitals in India. The purpose of the collaboration is mainly a local clinical evaluation of the Kit for the diagnosis cervical cancer in India. Pursuant to the MOU, HCG will perform a clinical evaluation of the kit in its laboratories, at its expense, based on an agreed clinical plan. In February 2014, after obtaining all of the required approvals and completing the required training, HCG began the clinical evaluation. The results were expected to be received in the second half of 2014, but due to organizational changes in HCG, there are delays in the project's progress.

Continued Efforts for Additional Operations in Asia

In addition, Micromedic is conducting activity for locating and engaging additional business partners in order to penetrate additional target countries in Asia.

Kit for Monitoring the Recurrence of Bladder Cancer

As of the date of the report, Zetiq is conducting an advanced blinded multicenter clinical trial, as part of the development of a kit for detecting bladder cancer cells in urine samples in patients with a history of urine bladder cancer (the "**Multicenter Study**"). The Multicenter Study follows the development phase performed by Zetiq (the "**Calibration Phase**"), in the context of which the developed method was tested on 42 urine samples. The results indicated that the CellDetect® technology correctly identified 16 out of 17 cancerous cases and 22 out of 25 non-cancerous cases, such that the sensitivity of the method is 94% and its specificity is 88%.

In June 2014, Zetiq received an interim report in respect of the Multicenter Study. The results emerging from the interim report, together with the results received in the Calibration Phase of the CellDetect® technology for monitoring bladder cancer, constitute a material milestone in the development of the diagnostic kit, and provide an additional statistical confirmation of the test's efficacy. Following the interim results, Micromedic decided to continue the Multicenter Study, conducted in eight medical centers. For Additional details regarding the interim report, please see press release dated July 1, 2014, published on the Company's website

In Q3/2014 and up to the date of the report, Micromedic completed the enrollment of participants for the Multicenter Study, and is in the final stages of testing the urine sample by pathologists and preparing the study data for the required examinations and statistical analysis, expected to be completed within two months of the date of issuance of this Report.

3.2. Genetic Test for Detecting Patients at Risk of Developing BRONJ

On May 27, 2014, results from the clinical trial conducted by Micromedic at the Tel Hashomer Medical Center in Myeloma patients were received. The findings of the clinical trial indicate that several new highly correlated genetic markers were identified, which in Micromedic's estimation have high potential in predicting the risk of developing the BRONJ side effect. Following such findings, Micromedic filed three new patent application. For Additional details regarding the clinical trail, please see press release dated May 27, 2014, published on the Company's website

At this stage, Micromedic is conducting a repeated testing of such findings, which were identified on an independent array of samples. Such repeated testing is conducted on samples held by the University of Florida and among additional patients at Tel Hashomer. To that end, Micromedic executed in August 2014, a research agreement with the University of Florida, pursuant to which the University shall perform a validation testing of the findings revealed on the DNA samples possessed thereby. In parallel, validation testing shall be held in the framework of the clinical trial conducted by Micromedic at the Tel Hashomer hospital, where enrollment commenced in August 2014. Micromedic estimates that the repeated testing will be completed within two months of the date of the report.

In addition, in August 2014, Micromedic received a budget approval (the "**Approval**") for such project from the Office of the Chief Scientist. Pursuant to the Approval, participation shall be at a scope of 30% out of the approx. NIS 2.1 million budget, subject to the conditions of the Approval, including payment of royalties out of Micromedic's future revenues for the kit.

3.3. BioMarCare operations – the Board of Directors of BioMarCare resolved to focus on business development activity for the recruitment of strategic partners in order to complete the development of a diagnostic kit for early detection of colorectal cancer (polyps) using molecular blood tests (qRT—PCR) (in this sub-section: the "**Product**") and its commercialization, and not to pursue independent clinical activity in the Product.

Commencing as of Q2/2014, BioMarCare's operations are classified as operations held for sale (including the required adjustments pursuant to acceptable accounting rules in view of such classification), and in Bio Light's consolidated interim financial statements for June 30, 2014, Bio Light recorded a one-time write-down in an amount of NIS 3,036 thousand- for details see Note 3 of the financial statements

For additional details regarding the operations of Micromedic and its subsidiaries see Section 4.5 of the Annual Report, Section 3 of the Q1/2014 and Section 3 of the Q2/2014 Report.

4. **General**

4.1. On November 5, 2014, Micromedic completed a public financing (via a shelf offering report) in a total (gross) sum of approx. NIS 2.88 million, by way of a public uniform offering with a tender in respect of the price per unit[8]. The Company announced that it intends to participate in such offering, and invested a sum of approx. NIS 1.7 million in Micromedic.

4.2. On October 30, 2014, the Company's Board of Directors approved an engagement with Micromedic in an agreement for management and consulting services and administrative services (the "**Agreement**" or the "**Synergy Agreement**"), which is subject to the approval of Micromedic's relevant organs. Such Agreement replaces the former synergy agreement[9], and shall be in effect for a period of three years as of the date of its approval by Micromedic's general meeting (subject to the early termination option set forth in the Agreement)[10] .

8 The price per unit that was determined in the tender was NIS 220 per unit. Each unit included 1,000 ordinary shares of Micromedic.

9 For details regarding the former synergy agreement, see Sections 4.5.7.2 or 5.7.1.8 of the Annual Report.

10 To the Company's best knowledge, as of the date of this report, Micromedic's general meeting convened for the approval, *inter alia*, of the Synergy Agreement, is summoned for December 7, 2014. For additional details, see Micromedic's immediate report dated October 30, 2014 (reference no. 2014-01-184113).

C. **Explanations in respect of the Financial Statements**

1. **The Company's Financial Position**

1.1. Current Assets

The current assets as of September 30, 2014, amounted to approx. NIS 39,261 thousand compared to approx. NIS 27,777 thousand and approx. NIS 21,009 thousand as of September 30, 2013 and as of December 31, 2013, respectively – an increase of approx. 41.3% and of approx. 86.9%, respectively. The balance as of September 30, 2014 mainly includes cash and cash equivalents and short-term deposits of approx. NIS 35,323 thousand compared to cash and cash equivalents and short-term deposits of approx. NIS 24,995 thousand and of approx. NIS 17,901 thousand as of September 30, 2013 and as of December 31, 2013 – an increase of approx. 41.3% and of approx. 97.3%, respectively. The increase in the balance of cash and cash equivalents and short-term deposits mainly results from the equity offering in March 2014 – for further details see Note 3 to the financial statements.

1.2. Non-Current Assets

The balance of non-current assets as of September 30, 2014 amounted to approx. NIS 8,259 thousand, compared to approx. NIS 13,585 thousand as of September 30, 2013 and approx. NIS 13,323 as of December 31, 2013 – a decrease of approx. 39.2% and of approx. 38%, respectively. The balance of non-current assets mainly includes a balance of goodwill and intangible assets, net, of approx. NIS 7,166 thousand as of September 30, 2014 compared to approx. NIS 12,446 thousand as of September 30, 2013 and approx. NIS 12,307 thousand as of December 31, 2013. The decrease in the balance of goodwill and intangible assets, net, results from amortizations of current excess costs of intangible assets, a short-term classification of an intangible asset held for sale in the sum of NIS 1,781 thousand, as well as from one-time write-down of goodwill and of an intangible asset in a consolidated company which was already recorded in Q2/2014for a total amount of NIS 3,036 thousand - for details see Note 3 to the financial statements.

1.3. Total Consolidated Balance Sheet

As of September 30, 2014, the total balance sheet amounted to approx. NIS 47,520 thousand, compared to approx. NIS 41,362 thousand as of September 30, 2013 and approx. NIS 34,332 thousand as of December 31, 2013.

1.4. Current Liabilities

The current liabilities as of September 30, 2014 amounted to approx. NIS 7,190 thousand compared to approx. NIS 4,744 thousand as of September 30, 2013 and approx. NIS 4,898 thousand as of December 31, 2013 – an increase of approx.

51.6% and of 46.8%, respectively. The increase in current liabilities mainly results from a classification to current liabilities of liabilities for grants from a consolidated company to the concurrent assets that are designated as held-for-sale - for further details see Note 3 of the financial statements.

1.5. Non-Current Liabilities

The current liabilities as of September 30, 2014 amounted to approx. NIS 7,701 thousand compared to approx. NIS 7,064 thousand as of September 30, 2013 and approx. NIS 7,325 thousand as of December 31, 2013 – an increase of approx. 9% and of approx. 5.1%, respectively. The balance mainly includes liabilities for grants in consolidated companies presented at fair value as of the date of the balance sheet. The balance of the liabilities for grants as of September 30, 2014 was approx. NIS 7,100 thousand, compared to a balance of approx. NIS 6,472 thousand as of September 30, 2013 and of approx. NIS 6,788 thousand as of December 31, 2013.

1.6. Working Capital

The working capital as of September 30, 2014 amounted to approx. NIS 32,071 thousand and the Company's current ratio is approx. 5.5, compared to September 30, 2013, at which the working capital amounted to approx. NIS 23,033 thousand, and the Company's current ratio was approx. 5.9, and compared to December 31, 2013, on which the working capital was approx. NIS 16,111 thousand and the current ratio was approx. 4.3.

1.7. Shareholders' Equity

The Company's shareholders equity for September 30, 2014, was approx. NIS 32,629 thousand compared to approx. NIS 29,554 thousand as of September 30, 2013, and approx. NIS 22,109 thousand as of December 31, 2013 – an increase of approx. 10.4% and of approx. 47.6%, respectively, mainly resulting from the March 2014 equity offerings, which were set-off from the periodical current loss.

2. The Results of Operations

2.1. Interim Statements of Operations (NIS in thousands)

	For the 9 months ended on September 30,		For the 3 months ended on September 30,		For the year ended on December 31,
	2014	2013	2014	2013	2013
	Unaudited				Audited
	NIS in thousands (other than loss per share)				
Revenues	173	39	18	29	82
Cost of revenues	52	13	-	13	23
Gross margin	121	26	18	16	59
Research and development expenses, net	13,373	13,693	4,231	4,383	18,419
Sales and marketing expenses	1,617	542	626	166	1,051
G&A expenses	7,632	6,621	2,713	2,406	9,031
Loss from impairment	3,036	-	-	-	-
	25,658	20,856	7,570	6,955	28,501
Operating loss	25,537	20,830	7,552	6,939	28,442
Financing income	(522)	(430)	(139)	(145)	(500)
Financing expenses	1,804	1,190	595	695	1,220
Other expenses	354	-	-	-	-
Net loss	27,173	21,590	8,008	7,489	29,162
Other comprehensive loss (income):					
Foreign currency translation adjustments	45	(19)	7	(10)	19
Total comprehensive loss	27,218	21,571	8,015	7,479	29,181
Total net loss attributable to:					
Shareholders of the Company	17,115	13,844	5,541	4,656	18,837
Non-controlling interests	10,058	7,746	2,467	2,833	10,325
	27,173	21,590	8,008	7,489	29,162

Total comprehensive loss attributable

	For the 9 months ended on September 30,		For the 3 months ended on September 30,		For the year ended on December 31,
	2014	2013	2014	2013	2013
	Unaudited				Audited
	NIS in thousands (other than loss per share)				
to:					
Shareholders of the Company	17,160	13,825	5,548	4,646	18,856
Non-controlling interests	10,058	7,746	2,467	2,833	10,325
	27,218	21,571	8,015	7,479	29,181
<u>Loss per share attributed to the Company's shareholders (in NIS)</u>					
Basic and diluted loss per share from continuing operations	0.04	0.04	0.01	0.01	0.06
Weighted number of shares used in calculating the loss per share	469,607,462	342,213,702	521,337,702	342,213,702	342,213,702

2.2. Analysis of the Results of Operations

In the nine and three month periods ended on September 30, 2014, the Company recorded a comprehensive net loss of approximately NIS 27,218 thousand and NIS 8,015 thousand, respectively (of which approx. NIS 17,160 thousand and approx. NIS 5,548 thousand are attributed to the Company's shareholders, respectively), compared to a loss of approx. NIS 21,571 thousand (of which approx. NIS 13,825 thousand are attributed to the Company's shareholders) in the same period last year – an increase of approx. 26.2% and compared to a comprehensive loss of NIS 7,479 thousand (of which approx. NIS 4,646 thousand are attributed to the Company's shareholders) in the same quarter last year – an increase of approx. 7.2%. The increase in comprehensive loss in the nine months ended on September 30, 2014, mainly results from a one-time impairment in the amount of NIS 3,036 thousand in a consolidated company.

2.3. Revenues and Cost of Goods Sold

In the nine-month period ended on September 30, 2014, the Company recorded revenues in the amount of approx. NIS 173 thousand compared to an amount of NIS 39 thousand in the same period last year and NIS 82 thousand as of December 31, 2013 – an increase of approx. 343.6% and of approx. 111%, respectively. In the three-month period ended on September 30, 2014 revenues amounted NIS 18 thousand, compared to revenues in the amount of NIS 29 thousand in the same period last year. During February 2014, a consolidated company received an additional commercial order from a distributor in China for the execution of 100,000 tests using the product of the consolidated company intended for the detection and diagnosis of cervical cancer (the revenues from the first order, in the amount of NIS 29 thousand, and a cost of goods sold in the amount of NIS 13 thousand, were recognized in the year ended on December 31, 2013). During the second quarter of 2014, the Company recognized revenues in the amount of NIS 117 thousand for the first payment for the units actually sold of such total order until the end of the second quarter, and concurrently recognized an expense for the full cost of revenues for the sold units until the end of the second quarter. In Q3/2014, all of the revenues are from the subsidiary IOPtima.

2.4. Research and Development Expenses, Net

In the nine and three month periods ended on September 30, 2014, the research and development expenses, net, amounted to approx. NIS 13,373 thousand (gross amount of NIS 14,129 thousand) and approx. NIS 4,231 thousand (gross amount of NIS 4,386 thousand), respectively, compared to approx. NIS 13,693 thousand (gross amount of NIS 13,892 thousand) and approx. NIS 4,383 thousand (gross amount of NIS 4,399 thousand) in the same periods in 2013, respectively, a decrease of approx. 2.3% and of approx. 3.5%, respectively. The decrease in the net amount mainly results from an increase in Chief Scientist revenues from grants which were set-off from higher research and development expenses, mainly due to clinical trials.

For the year ended on December 31, 2013, the research and development expenses amounted to approx. NIS 18,419 in thousands (gross amount of NIS 18,890 thousand).

2.5. Sales and Marketing Expenses

In the nine and three month periods ended on September 30, 2014, the sales and marketing expenses amounted to approx. NIS 1,617 thousand and approx. NIS 626 thousand, respectively, compared to approx. NIS 542 thousand and approx. NIS 166 thousand in the same periods in 2013, respectively – an increase of approx. 198.3% and of approx. 277.1%, respectively. The marketing and sales expenses mainly resulted from participation in conferences, public relations activity in capital markets in Israel and abroad, marketing and business development activity, development of collaborations, and training sessions in medical centers.

For the year ended on December 31, 2013, the sales and marketing expenses amounted to approx. NIS 1,051 thousands.

2.6. General and Administrative Expenses

In the nine and three month periods ended on September 30, 2014, the general and administrative expenses amounted to approx. NIS 7,632 thousand and approx. 2,713 thousand, respectively, compared to approx. NIS 6,621 thousand and approx. 2,406 thousand, in the same periods in 2013, respectively, an increase of approx. 15.3% and of approx. 12.8%, respectively. The increase compared to the same nine- and three-month periods ended on September 30, 2014, mainly results from the recruitment of a new CEO for the consolidated company Micromedic in September 2013.

For the year ended on December 31, 2013, the general and administrative expenses amounted to approx. NIS 9,031 in thousands.

2.7. Financing Revenues/Expenses, Net

In the nine and three month periods ended on September 30, 2014, the financing expenses amounted to approx. NIS 1,804 thousand and approx. NIS 595 thousand, respectively, compared to financing expenses of approx. NIS 1,190 thousand and of approx. NIS 695 thousand in the same periods in 2013, respectively. The financing expenses mainly resulted from a reevaluation of liabilities from grants in consolidated companies.

The financing revenues in the nine and three month periods ended on September 30, 2014, amounted to approx. NIS 522 thousand and approx. NIS 139 thousand, respectively, compared to approx. NIS 430 thousand and approx. NIS 145 thousand in the same periods last year, respectively. The financing revenues mainly resulted from interest on deposits and changes in foreign currency rates.

3. Liquidity and Financial Resources

As of September 30, 2014, the Company has surplus cash and short-term deposits of approx. NIS 35,323 thousand, compared to approx. NIS 24,995 thousand in the same period in 2013.

In the nine-month period ended on September 30, 2014, approx. NIS 19,357 thousand were used for current operations, approx. NIS 19,580 thousand were used for investment activities (investment in short-term deposits), and approx. NIS 37,217 thousand resulted from financing activity. In the nine-month period ended on September 30, 2013, approx. NIS 19,223 thousand were used for current operations, approx. NIS 437 thousand resulted from investment activities, and approx. NIS 11,152 thousand resulted from financing activity.

In the three-month period ended on September 30, 2014, approx. NIS 5,528 thousand were used for current operations, approx. NIS 67 thousand were used for investment activities, and approx. NIS 291 thousand were used for financing activity. In the three-month period ended on September 30, 2013, approx. NIS 6,339 thousand were used for current operations, approx. NIS 83 thousand were used for investment activity.

4. Material Events during the Report Period

For details of material events which occurred during the Report Period see Section B above and Note 3 of the financial statements.

5. **<u>Events which may Indicate Financial Difficulties</u>**

For details see the Note 1 of the financial statements.

6. **<u>An explanation regarding matters to which the corporation's auditors called attention in their opinion regarding the financial statements</u>**

In their opinion report on the financial statements, the Company's auditors noted as follows: "We call attention to Note 1.a of the consolidated financial statements regarding the Company's business".

7. **<u>Material Changes in the Corporation's Activities and Business</u>**

During the Report Period, no material changes transpired in the business of the Company and its consolidated companies, compared to the description thereof in the Company's Annual Report for 2013.

8. **<u>Material Changes in the Relationship Between the Compensation Given to Senior Corporate Officers and the Contribution to the Corporation of the Person Receiving the Compensation</u>**

During the Report Period, no material changes transpired in the relationship between the compensation paid to senior corporate officers and the contribution to the corporation of the person receiving the compensation.

Chapter II - Exposure to Market Risks and Methods Used to Manage Them

9. **Exposure to Market Risks and Methods Used to Manage Them**

9.1. Below are details of material changes which Occurred in the third quarter of 2014 in respect of Exposure to Market Risks and Methods Used to Manage Them

In the third quarter of 2014, no material changes occurred in respect of exposure to market risks and methods that are being used to manage them.

9.2. The Person Responsible for Management of Market Risks

The person responsible for management of market risks in the Company is Mr. Itai Bar-Natan, the Company's CFO, acting within the framework of the Board's general instructions. For further details of Mr. Itai Bar-Natan’s education and experience, see the Company’s report dated April 11, 2013 (reference No. 2013-01-033796).

Below is a summary of the sensitivity analysis tables detailed in the Second Chapter hereof (regarding the exposure to market risks and the methods used to manage them).

Sensitivity to changes in exchange rates dollar/NIS

	Changes in Fair Value		**Fair Value**	**Changes in Fair Value**	
	10%	**5%**	**3.695**	**-5%**	**-10%**
Cash and cash equivalents	84	42	835	(42)	(84)
Trade payables	(31)	(16)	(311)	16	31
Payables and other current liabilities	(98)	(49)	(983)	49	98
Liabilities for grants (including short-term)	(818)	(409)	(8,182)	409	818
Total	**(863)**	**(432)**	**(8,641)**	**432**	**863**

Sensitivity to changes in the Israeli Consumer Price Index

	Changes in fair value			**Fair value**	**Changes in fair value**		
	+10%	**+5%**	**+1.5%**		**-1.5%**	**-5%**	**-10%**
Payables and other current liabilities	(17)	(8)	(2)	(166)	2	8	17
Liability for post-employment benefits	(34)	(17)	(5)	(335)	5	17	34
Liabilities for grants (short term)	(32)	(16)	(5)	(322)	5	16	32
Firm commitment – rent	(210)	(105)	(31)	(2,099)	31	105	210
Firm commitment – car lease	(47)	(23)	(7)	(468)	7	23	47
Total	**(340)**	**(169)**	(50)	**(3,390)**	50	**169**	**340**

9.3. Terms of Linkage of the Company's Monetary Balances as of September 30, 2014

	In Foreign Currency or Linked to Dollar	Linked to the CPI	No Linkage	Total
Assets:				
Cash and cash equivalents	835	-	15,116	15,951
Short-term deposit	-	-	19,372	19,372
Other receivables	-	-	548	548
Total Assets	**835**	**-**	**35,036**	**35,871**
Liabilities:				
Trade Payables	(311)	-	(1,515)	(1,826)
Payables and other current liabilities	(983)	(166)	(2,809)	(3,958)
Liability for post-employment benefits	-	(335)	(34)	(369)
Liability for subsidiary shares	-	-	(232)	(232)
Liability for governmental grants (including short-term)	(8,182)	(322)	-	(8,504)
Firm commitment – rent	-	(2,099)	-	(2,099)
Firm commitment – car lease	-	(468)	-	(468)
Total Liabilities	**(9,476)**	**(3,390)**	**(4,590)**	**(17,456)**

Chapter III– Corporate Governance Aspects

10. Directors with Accounting and Financial Expertise

On May 3, 2011, the Board of Directors of the Company reevaluated the determination of the minimal required number of directors with accounting and financial expertise in the Company, and found no need to change it. The Board of Directors determined that the minimal required number of directors with accounting and financial expertise (the "**Minimal Number**") is one. The Director with accounting and financial expertise is Mr. Ron Weissberg – who holds a B.Sc. in Industrial Engineering and Management (Technion Israeli Institute of Technology, Haifa, Israel) and a M.B.A with a specialization in Finance and Management (New York University (NYU)). In the Interim Period and as of the date hereof, the number of directors with accounting and financial expertise did not decrease below the Minimal Number.

11. Independent Directors

In the Interim Period and as of the date hereof, the rate of independent directors in the Company is lower than the rate prescribed by Section 84A of the Company's Articles. The Company is acting to recruit an additional independent director.

12. The Corporations' Internal Auditor

There is no change in the details provided in the Annual Report.

13. The Approval Procedure of the Financial Statements

The Board of Directors of the Company is the corporate organ in charge of the approval of the Company's financial statements. As of the date of the report, the Board consists of the following six members: Messrs. Israel Makov (Chairman), Ron Weissberg, Efrat Makov, Eliahu Shohet (independent director), Shmuel Perez (external director) and Dr. Rachel Adato (external director).

The Company's audit Committee serves also as its financial statements review committee (the "**Committee**") in accordance with the Companies Regulations (Terms and Conditions Regarding the Approval Procedure of the Financial Statements), 5770-2010.

The Committee consists of three members: Messrs. Shmuel Perez (external director and Chairman of the Committee), Eliahu Shohet (independent director) and Dr. Rachel Adato (external director).

Mr. Shmuel Perez has accounting and financial expertise and prior to his appointment, provided a declaration pursuant to Regulation 3 of the Companies Regulations (Conditions and Criteria for a Director with Accounting and Financial Expertise and a Director with Professional Fitness), 5766-2005. For details of the qualifications, education, experience and knowledge of the members of the Committee, on the basis of which the Company views them as having the ability to read and understand financial statements, see Regulation 26 of Chapter D of the Annual Report.

The members of the Committee were appointed after undergoing fitness examinations and have filled out appropriate declarations, as required by law.

The Company's financial statements were deliberated at the Committee's meeting held on November 27, 2014.

All of the members of the Committee participated in the meeting. In addition, the Company's CEO, the Company's CFO, the Company's controller, the Company's auditors and the Company's attorneys were summoned to present the data included in the Financial Statements and render explanations.

Prior to the Committee's meeting, the Committee was delivered draft interim financial statements for its review. Such materials were sent to the members of the Committee for review approximately two business days prior to the meeting.

During the Committee's meeting, the participants were presented the following issues: (1) the accounting policy adopted and the accounting methods implemented in material issues; (2) evaluations and estimates made in relation to the financial statements; (3) risk management; (4) discussion of evaluations, assumptions and estimates; (5) the internal controls related to the financial statements; (6) the completeness and propriety of the disclosure in the Financial Statements; and (6) the data included in the financial statements for the Interim Period.

The members of the Committee held a detailed discussion in respect of the accounting policy implemented in the financial statements and changes which occurred in such policy during the relevant period. In addition, the members of the Committee were presented with the auditors' position in respect of such accounting policy and evaluations, including a presentation of the various alternatives that were available to the Company.

The participants were presented with the information accompanying the data included in the financial statements, including information in respect of the Company's financial position and operating status, and information regarding the corporate governance of the audit and of risk management undertaken by the Company. In addition, a discussion was held in respect of future processes of effectiveness of internal control in the Company.

The members of the Committee inquired about the manner of adoption of decisions by the Company, and held a detailed discussion regarding the estimates and accounting measures on which the financial statements were based, while investigating the accounting policy applied to different matters and examining the discretion used by management in the different matters.

In addition, and with the assistance of the auditors, the Committee examined material issues in the financial report, the estimations made and discretion used within the framework of preparing the financial statements, the internal reports etc., and those were found by the Committee to be reasonable and appropriate.

After a detailed discussion on the matter, the members of the Committee reached the conclusion that the Company implemented an appropriate accounting policy, and used appropriate estimates and evaluations. In addition, the members of the Committee regarded the disclosure in the statements to be complete and appropriate, and that it correctly analyses the Company’s main risks and exposures. In view of all of the above, the members of the Committee resolved to recommend the Board of Directors to approve the Financial Statements.

The financial statements of the Company were discussed and approved by the Board of Directors at its meeting held on November 30, 2014, after receipt of the recommendations of the Financial Statements Review Committee, according to the provisions of the Companies Regulations (Terms and Conditions Regarding the Approval Procedure of the Financial Statements), 5770-2010.

Within the framework of the Board meeting, the recommendations of the Committee were presented to the Board members, and a review and analysis was presented by the Company’s CEO and the Company’s CFO, who presented in detail a summary of the financial statements, including results of operations, cash flow and the Company’s financial position. Among others, material matters in the financial reporting, material evaluations and critical estimates implemented within the framework of the financial statements were reviewed. The directors Israel Makov, Efrat Makov, Shmuel Perez, Rachel Adatto and Eliahu Shohet, participated at the Board meeting.

Disclosure Provisions in respect of the Financial Reporting of the Corporation

14. Subsequent Events

See Part B above.

See Note 7 of the financial statements.

15. Critical Accounting Estimates

During the Report Period, no changes transpired in the critical accounting estimates detailed in the Annual Report for 2013.

Chapter IV– Repurchases

16. **Repurchase plan**

The Company does not have plans for the repurchase of the Company's securities, within the meaning of the term "purchase" in Regulation 10(b)(2)(i) of the Regulations.

The Company's Board of Directors wishes to thank the Company's employees and managers for their contribution to the advancement of the Group's business.

____________________	____________________
Suzana Nahum Zilberberg CEO	Israel Makov Chairman

Tel Aviv, November 30, 2014

BIO LIGHT ISRAELI LIFE SCIENCES INVESTMENTS LTD.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2014

UNAUDITED

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Building a better working world

Kost Forer Gabbay & Kasierer
3 Aminadav St.
Tel-Aviv 6706703, Israel

Tel: +972-3-6232525
Fax: +972-3-5622555
ey.com

Auditors' Review Report to the Shareholders of Bio Light Israeli Life Sciences Investments Ltd.

Introduction

We have reviewed the accompanying financial information of Bio Light Israeli Life Sciences Investments Ltd. ("the Company") and its subsidiaries ("the Group"), which comprises the consolidated statement of financial position as of September 30, 2014 and the related consolidated statements of operations, shareholders equity and cash flows for the nine and three months periods then ended. The Company's board of directors and management are responsible for the preparation and presentation of interim financial information for these periods in accordance with IAS 34, "Interim Financial Reporting" and are responsible for the preparation of this interim financial information in accordance with Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Review Standard 1 of the Institute of Certified Public Accountants in Israel, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards in Israel and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

In addition to the abovementioned, based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not comply, in all material respects, with the disclosure requirements of Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970.

Without qualifying our conclusion, we draw attention to the matter discussed in Note 1a to the consolidated financial statements regarding the Company's business activity.

Tel-Aviv, Israel
November 30, 2014

KOST FORER GABBAY & KASIERER
A Member of Ernst & Young Global

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	September 30, 2014	September 30, 2013	December 31, 2013
	Unaudited	Unaudited	Audited
	NIS in thousands		
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	15,951	24,810	17,716
Short-term deposits	19,372	185	185
Trade receivables	-	54	48
Other accounts receivable	2,883	1,677	2,005
Inventories	1,055	1,051	1,055
	39,261	27,777	21,009
NON-CURRENT ASSETS:			
Leasing deposits	116	112	105
Property and equipment	977	1,027	911
Goodwill and intangible assets, net	7,166	12,446	12,307
	8,259	13,585	13,323
	47,520	41,362	34,332

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

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	September 30, 2014	September 30, 2013	December 31, 2013
	Unaudited	Unaudited	Audited
	NIS in thousands		
LIABILITIES AND EQUITY			
CURRENT LIABILITIES:			
Trade payables	1,827	1,344	1,365
Other accounts payable	3,959	*) 3,160	*) 3,256
Liability for grants	1,404	*) 240	*) 277
	7,190	4,744	4,898
NON-CURRENT LIABILITIES:			
Employee benefit liabilities	369	268	305
Liability for grants	7,100	6,472	6,788
Commitment for subsidiary's shares	232	324	232
	7,701	7,064	7,325
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY:			
Share capital, premium and reserves	217,406	179,870	179,878
Accumulated deficit	(184,420)	(162,312)	(167,305)
	33,095	17,558	12,573
Non-controlling interests	(357)	11,996	9,536
Total shareholders’ equity	32,629	29,554	22,109
	47,520	41,362	34,332

*) See Note 3i.

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

November 30, 2014			
Date of approval of the financial statements	Israel Makov Chairman of the Board	Suzana Nahum-Zilberberg Chief Executive Officer	Itai Bar-Natan Chief Financial Officer

CONSOLIDATED STATEMENTS OF OPERATIONS

	Nine months ended September 30,		Three months ended September 30,		Year ended December 31,
	2014	2013	2014	2013	2013
	Unaudited				Audited
	NIS in thousands (except share and per share data)				
Revenues	173	39	18	29	82
Cost of revenues	52	13	-	13	23
Gross profit	121	26	18	16	59
Research and development expenses, net	13,373	13,693	4,231	4,383	18,419
Selling and marketing expenses	1,617	542	626	166	1,051
General and administrative expenses	7,632	6,621	2,713	2,406	9,031
Impairment loss	3,036	-	-	-	-
	25,658	20,856	7,570	6,955	28,501
Operating loss	25,537	20,830	7,552	6,939	28,442
Finance income	(522)	(430)	(139)	(145)	(500)
Finance expense	1,804	1,190	595	695	1,220
Other expenses	354	-	-	-	-
Net loss	27,173	21,590	8,008	7,489	29,162
Other comprehensive loss (income):					
Foreign currency translation adjustments	45	(19)	7	(10)	19
Total comprehensive loss	27,218	21,571	8,015	7,479	29,181
Total net loss attributable to:					
Equity holders of the Company	17,115	13,844	5,541	4,656	18,837
Non-controlling interests	10,058	7,746	2,467	2,833	10,325
	27,173	21,590	8,008	7,489	29,162
Total comprehensive loss attributable to:					
Equity holders of the Company	17,160	13,825	5,548	4,646	18,856
Non-controlling interests	10,058	7,746	2,467	2,833	10,325
	27,218	21,571	8,015	7,479	29,181
Loss per share attributable to equity holders of the Company (in NIS):					
Basic and diluted loss per share	0.04	0.04	0.01	0.01	0.06
Weighted number of shares used in the computation of loss per share	469,607,462	342,213,702	521,337,702	342,213,702	342,213,702

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

STATEMENTS OF SHAREHOLDERS EQUITY

	Attributable to equity holders of the Company									
	Share capital	Share premium	Share options	Reserve for share-based payment	Reserve for transactions with non-controlling interests	Accumulated deficit	Foreign currency translation reserve	Total	Non-controlling interests	Total equity
	Unaudited									
	NIS in thousands									
Balance at January 1, 2014 (audited)	3,423	162,238	6,572	4,167	7,190	(167,305)	(3,712)	12,573	9,536	22,109
Net loss	-	-	-	-	-	(17,115)	-	(17,115)	(10,058)	(27,173)
Total other comprehensive loss	-	-	-	-	-		(45)	(45)	-	(45)
Total comprehensive loss	-	-	-	-	-	(17,115)	(45)	(17,160)	(10,058)	(27,218)
Additional purchase of shares in subsidiary	-	-	-	-	(79)	-	-	(79)	(212)	(291)
Share-based payment in subsidiaries	-	-	-	-	-	-	-	-	377	377
Share-based payment	-	-	-	144	-	-	-	144	-	144
Issuance of shares and warrants, net	1,792	30,640	5,076	-	-	-	-	37,508	-	37,508
Expiration of options	-	109	(109)	-	-		-	-	-	-
Balance at September 30, 2014	5,215	192,987	11,539	4,311	7,111	(184,420)	(3,757)	32,986	(357)	32,629

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

STATEMENTS OF SHAREHOLDERS EQUITY

	Attributable to equity holders of the Company									
	Share capital	Share premium	Share options	Reserve for share-based payment	Reserve for transactions with non-controlling interests	Accumulated deficit	Foreign currency translation reserve	Total	Non-controlling interests	Total equity
	Unaudited									
	NIS in thousands									
Balance at January 1, 2013 (audited)	3,423	161,076	7,734	3,995	8,766	(148,468)	(3,693)	32,833	6,453	39,286
Loss	-	-	-	-	-	(13,844)	-	(13,844)	(7,746)	(21,590)
Total other comprehensive income	-	-	-	-	-	-	19	19	-	19
Total comprehensive loss	-	-	-	-	-	(13,844)	19	(13,825)	(7,746)	(21,571)
Share-based payment in subsidiaries	-	-	-	-	-	-	-	-	553	553
Share-based payment	-	-	-	126	-	-	-	126	-	126
Non-controlling interests upon acquisition of subsidiary	-	-	-	-	-	-	-	-	149	149
Purchases of shares and warrants in subsidiaries	-	-	-	-	(1,576)	-	-	(1,576)	12,587	11,011
Expiration of options	-	1,162	(1,162)	-	-	-	-	-	-	-
Balance at September 30, 2013	3,423	162,238	6,572	4,121	7,190	(162,312)	(3,674)	17,558	11,996	29,554

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

STATEMENTS OF SHAREHOLDERS EQUITY

	Attributable to equity holders of the Company									
	Share capital	Share premium	Share options	Reserve for share-based payment	Reserve for transactions with non-controlling interests	Accumulated deficit	Foreign currency translation reserve	Total	Non-controlling interests	Total equity
	Unaudited									
	NIS in thousands									
Balance at July 1, 2014	5,215	192,987	11,539	4,259	7,190	(178,879)	(3,750)	38,561	2,257	40,818
Net loss	-	-	-	-	-	(5,541)	-	(5,541)	(2,467)	(8,008)
Total other comprehensive loss	-	-	-	-	-	-	(7)	(7)	-	(7)
Total comprehensive loss	-	-	-	-	-	(5,541)	(7)	(5,548)	(2,467)	(8,015)
Additional purchase of shares in subsidiary	-	-	-	-	(79)	-	-	(79)	(212)	(291)
Share-based payment in subsidiaries	-	-	-	-	-	-	-	-	65	65
Share-based payment	-	-	-	52	-	-	-	52	-	52
Balance at September 30, 2014	5,215	192,987	11,539	4,311	7,111	(184,420)	(3,757)	32,986	(357)	32,629

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

STATEMENTS OF SHAREHOLDERS EQUITY

	Attributable to equity holders of the Company									
	Share capital	Share premium	Share options	Reserve for share-based payment	Reserve for transactions with non-controlling interests	Accumulated deficit	Foreign currency translation reserve	Total	Non-controlling interests	Total equity
	Unaudited									
	NIS in thousands									
Balance at July 1, 2013	3,423	162,238	6,572	4,097	7,190	(157,656)	(3,684)	22,180	14,617	36,797
Loss	-	-	-	-	-	(4,656)	-	(4,656)	(2,833)	(7,489)
Total other comprehensive income	-	-	-	-	-	-	10	10	-	10
Total comprehensive loss	-	-	-	-	-	(4,615)	10	(4,646)	(2,833)	(7,479)
Share-based payment in subsidiaries	-	-	-	-	-	-	-	-	212	212
Share-based payment	-	-	-	24	-	-	-	24	-	24
Balance at September 30, 2013	3,423	162,238	6,572	4,121	7,190	(162,312)	(3,674)	17,558	11,996	29,554

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

STATEMENTS OF SHAREHOLDERS EQUITY

	Attributable to equity holders of the Company									
	Share capital	Share premium	Share options	Reserve for share-based payment	Reserve for transactions with non-controlling interests	Accumulated deficit	Foreign currency translation reserve	Total	Non-controlling interests	Total equity
	Audited									
	NIS in thousands									
Balance at January 1, 2013	3,423	161,076	7,734	3,995	8,766	(148,468)	(3,693)	32,833	6,453	39,286
Net loss	-	-	-	-	-	(18,837)	-	(18,837)	(10,325)	(29,162)
Total other comprehensive loss	-	-	-	-	-	-	(19)	(19)	-	(19)
Total comprehensive loss	-	-	-	-	-	(18,837)	(19)	(18,856)	(10,325)	(29,181)
Share-based payment in subsidiaries	-	-	-	-	-	-	-	-	672	672
Share-based payment	-	-	-	172	-	-	-	172	-	172
Non-controlling interests in subsidiary	-	-	-	-	-	-	-	-	149	149
Purchase of shares in subsidiaries	-	-	-	-	(1,576)	-	-	(1,576)	12,587	11,011
Expiration of options	-	1,162	(1,162)	-	-	-	-	-	-	-
Balance at December 31, 2013	3,423	162,238	6,572	4,167	7,190	(167,305)	(3,712)	12,573	9,536	22,109

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine months ended September 30,		Three months ended September 30,		Year ended December 31,
	2014	2013	2014	2013	2013
	Unaudited				Audited
	NIS in thousands				
Cash flows from operating activities:					
Net loss	(27,173)	(21,590)	(8,008)	(7,489)	(29,162)
Adjustments to reconcile net loss to net cash used in operating activities:					
Adjustments to the profit or loss items:					
Finance income, net	(112)	*) (269)	(49)	*) (59)	*) (23)
Adjustment of liabilities for grants	1,439	*) 939	709	*) 485	*) 1,292
Depreciation and amortization, including impairment loss	3,676	718	190	252	1,066
Share-based payment	144	126	52	24	172
Share-based payment in subsidiaries	377	553	65	212	672
	5,524	2,067	967	914	3,179
Changes in asset and liability items:					
Decrease (increase) in trade receivables	48	(39)	117	(29)	(33)
Decrease (increase) in other accounts receivable	903	20	432	460	(198)
Increase in inventories	-	(468)	-	-	(472)
Increase (decrease) in trade payable	462	477	462	(543)	479
Increase (decrease) in other accounts payable	703	(24)	431	236	110
Increase in employee benefit liabilities	64	72	22	39	109
Decrease in long-term accrued expenses	-	(6)	-	-	(180)
Commitment for subsidiary's shares	-	-	-	-	(92)
	2,180	32	1,464	163	(277)
Cash paid and received during the period for:					
Interest paid	-	(7)	-	-	(1)
Interest received	112	275	49	73	36
	112	268	49	73	35
Net cash used in operating activities	(19,357)	(19,223)	(5,528)	(6,339)	(26,225)

*) See Note 3i.

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine months ended September 30,		Three months ended September 30,		Year ended December 31,
	2014	2013	2014	2013	2013
	Unaudited				Audited
	NIS in thousands				
Cash flows from investing activities:					
Proceeds from sale of marketable securities, net	-	547	-	-	547
Proceeds from short-term deposit	-	60	-	-	60
Investment in short-term deposits	(19,187)	-	(34)	-	-
Purchase of property and equipment	(382)	(108)	(15)	(58)	(201)
Investment in long-term leasing deposit	(11)	(25)	(18)	(25)	(18)
Acquisition of initially consolidated subsidiary (a)	-	(37)	-	-	(37)
Net cash provided by (used in) investing activities	(19,580)	437	(67)	(83)	351
Cash flows from financing activities:					
Purchase of shares in subsidiary from non-controlling interests	(291)	-	(291)	-	-
Purchase of shares and warrants in subsidiaries, net (b)	-	11,152	-	-	11,152
Proceeds from issue of shares and warrants, net	37,508	-	-	-	-
Net cash provided by (used in) financing activities	37,217	11,152	(291)	-	11,152
Exchange differences on balances of cash and cash equivalents	(45)	(13)	(7)	(17)	(19)
Decrease in cash and cash equivalents	(1,765)	(7,647)	(5,893)	(6,439)	(14,741)
Cash and cash equivalents at beginning of period	17,716	32,457	21,844	31,249	32,457
Cash and cash equivalents at end of period	15,951	24,810	15,951	24,810	17,716

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine months ended September 30, 2014	Nine months ended September 30, 2013	Three months ended September 30, 2014	Three months ended September 30, 2013	Year ended December 31, 2013
	Unaudited				Audited
	NIS in thousands				
(a) Acquisition of initially consolidated subsidiary:					
Working capital (excluding cash and cash equivalents)	-	37	-	-	37
Intangible assets	-	37	-	-	37
Goodwill	-	112	-	-	112
The subsidiary's assets (excluding cash and cash equivalents) and liabilities at acquisition date	-	186	-	-	186
Non-controlling interests from the acquisition	-	(149)	-	-	(149)
	-	37	-	-	37
(b) Financing and investing activities not involving cash flows:					
Deferred issuance expenses in subsidiary	-	141	-	-	141

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

NOTE 1:- GENERAL

Bio Light Israeli Life Sciences Investments Ltd. ("the Company") invests in, manages and commercializes biomedical innovations grouped around defined medical conditions - ophthalmology and cancer diagnostics (the Company and the subsidiaries, collectively, "the Group").

As a consequence of the nature of the Group's activity, as described above, the Group incurred losses of approximately NIS 27.2 million, NIS 8 million and NIS 29.2 million in the nine and three months ended September 30, 2014 and in the year ended December 31, 2013, respectively, and negative cash flows from operating activities of approximately NIS 19.4 million, NIS 5.5 million and NIS 26.2 million in the nine and three months ended September 30, 2014 and in the year ended December 31, 2013, respectively.

The investment needed for the Group's operating activity as well as the sources necessary to realize the clusters strategy is conditional upon the successful fundraising by the Company and the commercialization of the technologies.

The auditors' review report of Micromedic Technologies Ltd. ("Micromedic"), a subsidiary which includes the cancer diagnostics portfolio and accounts for approximately 13% of total consolidated assets of the Company as of September 30, 2014 and for approximately 42% and 30% of total consolidated expenses for the nine and three months periods then ended respectively, included an emphasis of matter paragraph regarding conditions that cast significant doubt about Micromedic existence as a going concern. The financial statements of Micromedic do not include any adjustments to the carrying amounts and classifications of assets and liabilities that would result if the company was unable to continue to operate as a going concern.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES

a. These financial statements have been prepared in a condensed format as of September 30, 2014 and for the nine and three months periods then ended ("interim consolidated financial statements"). These financial statements should be read in conjunction with the Company's annual financial statements as of December 31, 2013 and for the year then ended and accompanying notes ("annual consolidated financial statements").

b. The interim consolidated financial statements have been prepared in accordance with generally accepted accounting principles for the preparation of financial statements for interim periods, as prescribed in IAS 34, "Interim Financial Reporting" and in accordance with the disclosure requirements of Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970.

   The significant accounting policies and methods of computation adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the annual consolidated financial statements.

NOTE 3:- SIGNIFICANT EVENTS DURING AND AFTER THE REPORTING PERIOD

a. In March 2014, the Company completed a public equity offering of 83,774,000 Ordinary shares of the Company of NIS 0.01 par value each, 41,887,000 warrants (series 7) that are exercisable into 41,887,000 Ordinary shares of NIS 0.01 par value each and 41,887,000 warrants (series 8) that are exercisable into 41,887,000 Ordinary shares of NIS 0.01 par value each. Total issuance proceeds amounted to approximately NIS 18,248 thousand net of issuance expenses.

b. In March 2014, the Company signed private equity agreements for the issuance of 95,350,000 Ordinary shares of the Company NIS 0.01 par value each and 95,350,000 warrants (series 8) that are exercisable into 95,350,000 Ordinary shares of NIS 0.01 par value each. Total issuance proceeds amounted to approximately NIS 19,260 thousand net of issuance expenses.

c. During the first quarter of 2014, the Company's Level 1 American Depository Receipts ("ADRs") began trading over-the-counter in the U.S. The ADRs are listed on the OTCQX marketplace.

d. After the reporting date, a medical center in Hong Kong and a medical center in Poland purchased IOPtiMate™ systems. Also, after the reporting date, the subsidiary's Chinese distributor purchased two additional IOPtiMate™ systems. revenues from these sales will be recognized in the fourth quarter of 2014.

e. In February 2014, another commercial order was received from a distributor in China for 100,000 products for the detection and identification of cervical cancer in Zetiq (a Micromedic subsidiary). In the second quarter of 2014, the Company recognized revenue in respect of the first payment for the kits actually sold out of the total order by the end of the second quarter and, concurrently, recognized an expense for the entire cost of sale of the kits by the end of the second quarter.

   Due to the need to expand market penetration of the Product following the successful pilots and related endorsement letters issued in China, and due to Micromedic’s evaluation of the limited capabilities of the current distributor and its inability, at this stage, to complete the order and meet the 2014 sales targets, the Company is pro actively in serch for other partners in order to expend its distribution channels in China. In such context, during the course of November 2014, Micromedic entered into a letter of intent with a leading network of laboratories in China for the performance of a pilot in respect of the Product, with a view to examine various ways for cooperation between Micromedic and such network.

f. In May 2014, approval was obtained in the subsidiary DiagnosTear for another grant from the Office of the Chief Scientist for the method of diagnosing the dry eye syndrome. According to the approval, the participation will be at a rate of 40% of a budget of approximately NIS 1.6 million, subject to the terms of the approval, including the payment of royalties on sales, if any.

NOTE 3:- SIGNIFICANT EVENTS DURING AND AFTER THE REPORTING PERIOD (Cont.)

g. In August 2014, approval was obtained in the subsidiary Micromedic for a grant from the Office of the Chief Scientist for the development of a novel diagnostic kit for identifying a unique genetic profile that assesses the risk of developing BRONJ, a severe side effect of treatment with Bisphosphonate drugs that are mostly given to patients with metastases and osteoporosis that cause osteonecrosis of the jaw. The Chief Scientist's maximum participation will be at a rate of 30% of a project budget of approximately NIS 2.1 million, subject to the terms of the approval, including the payment of royalties on future sales of the diagnostic kit, if any.

h. As of June 30, 2014, the assets of BioMarCare (a subsidiary of Micromedic) were classified as assets held for sale. Following said classification, an impairment loss of NIS 3,036 thousand was recognized in the second quarter so that the carrying amount of these assets will not exceed their recoverable amount. As of September 30, 2014, these assets are still classified under current assets.

i. In respect to the classification as assets held for sale, as of September 30, 2014, assets of approximately NIS 1,781 thousand were classified in other accounts receivable and liabilities of approximately NIS 933 thousand were classified in other accounts payable. Therefore, comparative figures in respect of liability for grants which in previous periods had been classified as part of other accounts payables and not as a separate line due to immateriality were reclassified in the consolidated statements of financial position (the balance sheet) and in the consolidated statements of cash flows.

j. During September 2014, the Company purchased a total of 681,200 shares of Micromedic in the stock exchange in consideration of the aggregate amount of approximately NIS 291 thousand and increased its stake to 31.24% as of September 30, 2014.

In November 2014, Micromedic completed a public equity offering of 13,119,000 Ordinary shares of NIS 1 par value each. In this round, Bio Light purchased 7,810,000 shares for the aggregate amount of approximately NIS 1.7 million and increased its stake to 39.61%.

NOTE 4:- RESEARCH AND DEVELOPMENT EXPENSES, NET

	Nine months ended September 30,		Three months ended September 30,		Year ended December 31,
	2014	2013	2014	2013	2013
	Unaudited				Audited
	NIS in thousands				
Research and development expenses	14,129	13,892	4,386	4,399	18,890
Less - Government grants	(756)	(199)	(155)	(16)	(471)
Research and development expenses, net	13,373	13,693	4,231	4,383	18,419

NOTE 5:- FINANCIAL INSTRUMENTS

The Company's financial instruments comprise mainly assets and liabilities such as cash and cash equivalents, short-term deposits, other accounts receivable, trade payables and other accounts payable. Due to their nature, the fair value of the Company's financial instruments generally approximates their carrying amount.

As of September 30, 2014, the Company holds financial instruments measured at fair value and categorized within Level 3 - commitment for subsidiary's shares with immaterial value and without material change from the annual financial statements for the year ended December 31, 2013.

NOTE 6:- OPERATING SEGMENTS

a. Description of the segments:

The Company operates through its subsidiaries and Micromedic and its subsidiaries in various areas related to the development of biomed products and medications:

1. Glaucoma and dry eye - IOPtima is engaged in the development of technology for treating glaucoma. ViSci is engaged in the development of a sub-conjunctival drug insert technology for the controlled release of ophthalmic medications. DiagnosTear is developing a stick that enables diagnosis of dry eye syndrome and monitoring the treatment condition.

2. Cancer diagnostics - Micromedic focuses on cancer diagnosis products and this by, among others, development and commercialization of indicators that are based on various molecules and genes and by development and commercialization of cancer cell staining detection and diagnosis technology.

NOTE 6:- OPERATING SEGMENTS (Cont.)

b. Reporting on operating segments:

	Nine months ended September 30, 2014		
	Glaucoma and dry eye	Cancer diagnostics	Total
		Unaudited	
		NIS in thousands	
Revenues	56	117	173
Segment loss	9,591	10,569	20,160
Unallocated corporate expenses, net			5,377
Operating loss			25,537
Finance expenses, net			1,282
Other expenses			354
Loss from continuing operation			27,173
Foreign currency translation adjustments			45
Comprehensive loss			27,218

	Nine months ended September 30, 2013		
	Glaucoma and dry eye	Cancer diagnostics	Total
		Unaudited	
		NIS in thousands	
Revenues	10	29	39
Segment loss	8,575	7,412	15,987
Unallocated corporate expenses, net			4,843
Operating loss			20,830
Finance expenses, net			760
Loss from continuing operation			21,590
Foreign currency translation adjustments			(19)
Comprehensive loss			21,571

NOTE 6:- OPERATING SEGMENTS (Cont.)

	Three months ended September 30, 2014		
	Glaucoma and dry eye	Cancer diagnostics	Total
		Unaudited	
		NIS in thousands	
Revenues	18	-	18
Segment loss	3,377	2,223	5,600
Unallocated corporate expenses, net			1,952
Operating loss			7,552
Finance expenses, net			456
Loss from continuing operation			8,008
Foreign currency translation adjustments			7
Comprehensive loss			8,015

	Three months ended September 30, 2013		
	Glaucoma and dry eye	Cancer diagnostics	Total
		Unaudited	
		NIS in thousands	
Revenues	-	29	29
Segment loss	2,738	2,381	5,119
Unallocated corporate expenses, net			1,820
Operating loss			6,939
Finance expenses, net			550
Loss from continuing operation			7,489
Foreign currency translation adjustments			(10)
Comprehensive loss			7,479

NOTE 6:- OPERATING SEGMENTS (Cont.)

	Year ended December 31, 2013		
	Glaucoma and dry eye	Cancer diagnostics	Total
	Audited		
	NIS in thousands		
Revenues	53	29	82
Segment loss	11,727	10,245	21,972
Unallocated corporate expenses, net			6,470
Operating loss			28,442
Finance expenses, net			720
Loss from continuing operation			29,162
Foreign currency translation adjustments			19
Comprehensive loss			29,181

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BIOLIGHT ISRAELI LIFE SCIENCES INVESTMENTS LTD.

PRESENTATION OF ADDITIONAL FINANCIAL INFORMATION FROM

THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2014

UNAUDITED

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Kost Forer Gabbay & Kasierer
3 Aminadav St.
Tel-Aviv 6706703, Israel

Tel: +972-3-6232525
Fax: +972-3-5622555
ey.com

Special Report to the Review of the Separate Interim Financial Information in accordance with Regulation 38d to the Israeli Securities Regulations (Periodic and Immediate Reports), 1970

Introduction

We have reviewed the separate interim financial information disclosed in accordance with Regulation 38d to the Israeli Securities Regulations (Periodic and Immediate Reports), 1970 of BioLight Israeli Life Sciences Investments Ltd. ("the Company") as of September 30, 2014 and for the nine and three months period then ended. The Company's board of directors and management are responsible for the separate interim financial information. Our responsibility is to express a conclusion on the separate interim financial information based on our review.

Scope of review

We conducted our review in accordance with Review Standard 1 of the Institute of Certified Public Accountants in Israel, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of the separate interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards in Israel and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the separate interim financial information is not prepared, in all material respects, in accordance with Regulation 38d to the Israeli Securities Regulations (Periodic and Immediate Reports), 1970.

Tel-Aviv, Israel
November 30, 2014

KOST FORER GABBAY & KASIERER
A Member of Ernst & Young Global

Special Report in accordance with Regulation 38d

Financial Information and Financial Data from the

Interim Consolidated Financial Statements Attributable to the Company

Below is separate financial information and financial data attributable to the Company from the Group's interim consolidated financial statements as of September 30, 2014, published as part of the periodic reports ("consolidated financial statements") presented in accordance with Regulation 38d to the Israeli Securities Regulations (Periodic and Immediate Reports), 1970.

Financial Information from the Consolidated Balance Sheets
Attributable to the Company

	September 30, 2014	September 30, 2013	December 31, 2013
	Unaudited	Unaudited	Audited
	NIS in thousands		
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	12,510	8,934	5,013
Short-term deposits	19,227	185	185
Accounts receivable	587	685	797
	32,324	9,804	5,995
NON-CURRENT ASSETS:			
Investments in subsidiaries	4,741	8,183	7,055
Leasing deposits	30	12	12
Loan to related company	1,840	1,839	1,557
Property and equipment	150	240	204
	6,761	10,274	8,828
	39,085	20,078	14,823
LIABILITIES AND SHAREHOLDERS EQUITY			
CURRENT LIABILITIES:			
Trade payables	455	323	334
Other accounts payable	1,342	697	820
	1,797	1,020	1,154
NON-CURRENT LIABILITIES:			
Employee benefit liabilities	335	238	263
Commitment for subsidiary's shares	232	324	232
Excess of losses over investments in subsidiaries	3,735	938	601
	4,302	1,500	1,096
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY:			
Share capital, premium and reserves	217,406	179,870	179,878
Accumulated deficit	(184,420)	(162,312)	(167,305)
Total shareholders' equity	32,986	17,558	12,573
	39,085	20,078	14,823

The accompanying additional information is an integral part of the separate financial data and financial information.

November 30, 2014			
Date of approval of the financial statements	Israel Makov Chairman of the Board	Suzana Nahum-Zilberberg Chief Executive Officer	Itai Bar-Natan Chief Financial Officer

Financial Information from the Consolidated Statements of Operations Attributable to the Company

	Nine months ended September 30,		Three months ended September 30,		Year ended December 31,
	2014	2013	2014	2013	2013
	Unaudited				Audited
	NIS in thousands				
Revenues	1,615	1,553	548	605	2,055
General, administrative and other expenses	6,115	4,861	2,272	1,780	6,899
Operating loss	(4,496)	(3,308)	(1,724)	(1,175)	(4,844)
Finance income	7,551	6,549	2,680	2,349	8,913
Finance expenses	(31)	(367)	(23)	(82)	(875)
Income before Company's share of losses of subsidiaries	3,024	2,874	933	1,092	3,194
Company's share of losses of subsidiaries	(20,184)	(16,737)	(6,481)	(5,758)	(22,050)
Total loss	(17,160)	(13,844)	(5,548)	(4,656)	(18,856)

The accompanying additional information is an integral part of the separate financial data and financial information.

Financial Information from the Consolidated Statements of Cash Flows Attributable to the Company

	Nine months ended September 30,		Three months ended September 30,		Year ended December 31,
	2014	**2013**	**2014**	**2013**	**2013**
	Unaudited				**Audited**
	NIS in thousands				
Cash flows from operating activities of the Company:					
Loss attributable to the Company	(17,160)	(13,844)	(5,548)	(4,656)	(18,856)
Adjustments to reconcile loss to net cash used in operating activities of the Company:					
Adjustments to the profit or loss items of the Company:					
Finance income, net	(7,067)	(6,438)	(2,554)	(2,243)	(8,749)
Depreciation and amortization	60	61	24	21	97
Cost of share-based payment	144	126	52	24	172
Company's share of losses of subsidiaries	20,184	16,737	6,481	5,758	22,050
	13,321	10,486	4,003	3,560	13,570
Changes in asset and liability items of the Company:					
Decrease (increase) in accounts receivable	210	174	451	179	101
Increase (decrease) in loan to related company	(283)	124	(101)	(101)	406
Increase (decrease) in trade payable	76	177	62	156	178
Increase (decrease) in other accounts payable	522	(481)	481	(183)	(358)
Increase in employee benefit liabilities	72	74	42	40	99
Commitment to issue shares in subsidiary	-	-	-	-	(92)
	597	68	935	91	334
Cash paid and received during the period by the Company for:					
Interest paid	-	(5)	-	-	(5)
Interest received	84	148	41	24	162
	84	143	41	24	157
Net cash used in operating activities of the Company	(3,158)	(3,147)	(569)	(981)	(4,795)

The accompanying additional information is an integral part of the separate financial data and financial information.

Financial Information from the Consolidated Statements of Cash Flows Attributable to the Company

	Nine months ended September 30,		Three months ended September 30,		Year ended December 31,
	2014	**2013**	**2014**	**2013**	**2013**
	Unaudited				**Audited**
	NIS in thousands				
Cash flows from investing activities of the Company:					
Proceeds from investment in short-term deposit	(18)	58	(18)	(2)	58
Investment in short-term deposits	(19,042)	-	(34)	-	
Purchase of property and equipment	-	(24)	(6)	-	(24)
Proceeds from sale of marketable securities, net	-	370	-	-	370
Investment in subsidiaries	(7,787)	(16,400)	(2,307)	(3,569)	(18,638)
Net cash used in investing activities of the Company	(26,853)	(15,996)	(2,365)	(3,571)	(18,234)
Cash flows from financing activities of the Company:					
Issuance of shares and warrants, net	37,508	-	-	-	-
Net cash provided by financing activities of the Company	37,508	-	-	-	-
Exchange differences on balances of cash and cash equivalents	-	35	-	14	-
Increase (decrease) in cash and cash equivalents	7,497	(19,108)	(2,934)	(4,538)	(23,029)
Cash and cash equivalents at the beginning of the period	5,013	28,042	15,444	13,472	28,042
Cash and cash equivalents at the end of the period	12,510	8,934	12,510	8,934	5,013

The accompanying additional information is an integral part of the separate financial data and financial information.

Additional Information

NOTE 1:- GENERAL

a. This separate financial information has been prepared in accordance with Regulation 38d to the Israeli Securities Regulations (Periodic and Immediate Reports), 1970. This separate financial information should be read in conjunction with the annual financial statements as of December 31, 2013, and for the year then ended and the accompanying notes.

b. The Company incurred losses of NIS 5,548 thousand and negative cash flows from operating activities of NIS 569 thousand for the three months period ended September 30, 2014. The Company has accumulated deficit of NIS 184,420 thousand as of that date.

In March 2014, the Company completed a public equity offering of 83,774,000 Ordinary shares of the Company of NIS 0.01 par value each, 41,887,000 warrants (series 7) that are exercisable into 41,887,000 Ordinary shares of NIS 0.01 par value each and 41,887,000 warrants (series 8) that are exercisable into 41,887,000 Ordinary shares of NIS 0.01 par value each. Total issuance proceeds amounted to approximately NIS 18,248 thousand net of issuance expenses.

In March 2014, the Company signed private equity agreements for the issuance of 95,350,000 Ordinary shares of the Company NIS 0.01 par value each and 95,350,000 warrants (series 8) that are exercisable into 95,350,000 Ordinary shares of NIS 0.01 par value each. Total issuance proceeds amounted to approximately NIS 19,260 thousand net of issuance expenses.

The auditors' review report of Micromedic Technologies Ltd. ("Micromedic"), a subsidiary, included an emphasis of matter paragraph regarding conditions that cast significant doubt about Micromedic existence as a going concern. The financial statements of Micromedic do not include any adjustments to the carrying amounts and classifications of assets and liabilities that would result if the company was unable to continue to operate as a going concern.

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Chapter 4 – Management Declarations

Declaration of the Chief Executive Officer

I, Suzana Nahum-Zilberberg, CEO, hereby declare that:

1. I have examined the periodic report of BioLight Israeli Life Sciences Investments Ltd. ("**the Company**") for the period ending on September 30, 2014 ("**the reports**").

2. To my knowledge, the reports do not include any incorrect presentation of a material fact and no material fact has been left out of them that would be necessary for the presentation in them, in light of the circumstances in which those representations were included, not to be misleading with regard to the reporting period.

3. To my knowledge, the financial reports and other financial information included in the reports accurately reflect, from all material perspectives, the financial situation, the results of activity and the cash flow of the Company as of the dates and for the periods of the reports.

4. I have disclosed the to the Company's auditor, Board of Directors and audit committee, any fraud, whether material or not, in which the CEO or someone directly under him was involved or in which other employees who have a significant function in the internal auditing of financial reporting and disclosure were involved.

There is nothing in the aforesaid to derogate from my responsibility or the responsibility of anyone else, pursuant to any law.

November 30, 2014	
Date	Suzana Nahum-Zilberberg, CEO

Declaration of the Senior Company's Financial Officer

I, Itai Bar Natan, CFO, hereby declare that:

1. I have examined the financial statements and other financial information included BioLight Israeli Life Sciences Investments Ltd. ("**the Company**") reports for the period ending on September 30, 2014 ("**the reports**").

2. To my knowledge, the financial statements and other financial information included in the reports do not include any incorrect presentation of a material fact and no material fact has been left out of them that would be necessary for the presentations in them, in light of the circumstances in which those representations were included, not to be misleading with regard reporting period.

3. To my knowledge, the financial statements and any other financial information included in the reports accurately reflect, from all material perspectives, the financial situation, the results of activity and the cash flow of the Company as of the dates and for the periods of the reports.

4. I have disclosed to the Company's auditor, Board of Directors and the audit committee, any fraud, whether material or not, in which the CEO or someone directly under him was involved or in which other employees who have a significant function in internal auditing of financial reporting and disclosure were involved.

There is nothing in the aforesaid to derogate from my responsibility or the responsibility of anyone else, pursuant to any law.

November 30, 2014	
Date	Itai Bar Natan, CFO