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
Under the Securities Exchange Act of 1934

For the Month of August 2016

001-36203
(Commission File Number)

CAN-FITE BIOPHARMA LTD.

(Exact name of Registrant as specified in its charter)

10 Bareket Street
KiryatMatalon, P.O. Box 7537
Petach-Tikva 4951778, 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): ____

This Report on Form 6-K (including exhibits thereto) is hereby incorporated by reference into the registrant's Registration Statements on Form F-3 (File Nos. 333-195124, 333-199033, 333-204795 and 333-209037), to be a part thereof from the date on which this report is submitted, to the extent not superseded by documents or reports subsequently filed or furnished.

On August 29, 2016, Can-Fite BioPharma Ltd. issued unaudited interim condensed consolidated financial statements as of June 30, 2016. Attached hereto and incorporated by reference herein are the following exhibits:

99.1	Operating and Financial Review and Prospects as of June 30, 2016.
99.2	Unaudited Interim Condensed Consolidated Financial Statements as of June 30, 2016.

Exhibit Index

Exhibit No.	Description
99.1	Operating and Financial Review and Prospects as of June 30, 2016.
99.2	Unaudited Interim Condensed Consolidated Financial Statements as of June 30, 2016.

SIGNATURES

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

Can-FiteBioPharma Ltd.

Date: August 29, 2016

By: /s/ Pnina Fishman
Pnina Fishman
Chief Executive Officer

Exhibit 99.1

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 March 31, 2016.

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

Our financial statements are prepared in accordance with IFRS as issued by the International Accounting Standards Board, and reported in NIS. We maintain our accounting books and records in NIS and our functional currency is NIS. For the convenience of the reader, the reported NIS amounts as of June 30, 2016 have been translated into U.S. dollars at the representative rate of exchange on June 30, 2016 (U.S. $1 = NIS 3.846*). The U.S. dollar amounts presented should not be construed as representing amounts that are receivable or payable in dollars or convertible into U.S. dollars, unless otherwise indicated. 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 our 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.

Glossary of Certain Terms

As used herein, unless the context otherwise requires:

- references to "A3AR" refer to the A3 adenosine receptor;
- references to "$" are to United States Dollars;
- references to "HCC" refer to hepatocellular carcinoma, also known as primary liver cancer;
- references to "ordinary shares," "our shares" and similar expressions refer to the Company's Ordinary Shares, NIS 0.25 nominal (par) value per share;
- references to "RA" refer to rheumatoid arthritis; and
- references to "NIS" are to New Israeli Shekels, the Israeli currency.

Overview

We are a clinical-stage biopharmaceutical company focused on developing orally bioavailable small molecule therapeutic products for the treatment of autoimmune-inflammatory, oncological and sexual dysfunction indications. Our platform technology utilizes the Gi protein associated A3AR as a therapeutic target. A3AR is highly expressed in inflammatory and cancer cells, and not significantly expressed in normal cells, suggesting that the receptor could be a unique target for pharmacological intervention. Our pipeline of drug candidates are synthetic, highly specific agonists and allosteric modulators, or ligands or molecules that initiate molecular events when binding with target proteins, targeting the A3AR.

Our strategy is to build a fully integrated biotechnology company that discovers, in-licenses and develops an innovative and effective small molecule drug portfolio of ligands that bind to a specific therapeutic target for the treatment of autoimmune-inflammatory and oncological diseases and more. We continue to develop and test our existing pipeline, while also testing other indications for our existing drug candidates and examining, from time to time, the potential of other small molecules that may fit our platform technology of utilizing small molecules to target the A3AR. We generally focus on drugs with global market potential and we seek to create global partnerships to effectively assist us in developing our portfolio and to market our products.

We have in-licensed an allosteric modulator of the A3AR, CF602 from Leiden University. In addition, we have out-licensed CF101 (i) for the treatment of RA to Kwang Dong Pharmaceutical Co. Ltd., a South Korean limited company, or KD for the Korean market, (ii) for the treatment of psoriasis and RA to Cipher Pharmaceuticals, or Cipher, for the Canadian market, and (iii) for the treatment of ophthalmic diseases to Eye-Fite, a wholly-owned subsidiary of OphthaliX for the global market.

Recently, OphthaliX released top-line results from its Phase II clinical trial of CF101 for the treatment of glaucoma. In this trial, no statistically significant differences were found between the CF101 treated group and the placebo group in the primary endpoint of lowering intra ocular pressure, or IOP. High IOP is a characteristic of glaucoma. CF101 was found to have a favorable safety profile and was well tolerated. Based on these overall results, OphthaliX sees no immediate path forward in glaucoma.

Our product candidates, CF101, CF102 and CF602 are being developed to treat autoimmune-inflammatory, oncological and sexual dysfunction indications. CF101 is in an advance stage of clinical development for the treatment of autoimmune-inflammatory diseases, including RA and psoriasis. CF102 is being developed for the treatment of HCC and has orphan drug designation for the treatment of HCC in the U.S. and Europe. CF102 was granted Fast Track designation by the FDA as a second line treatment to improve survival for patients with advanced hepatocellular carcinoma who have previously received Nexavar (sorafenib). CF102 is also being developed for the treatment of non-alcoholic steatohepatitis, or NASH, following our study which revealed compelling pre-clinical data on CF102 in the treatment of NASH, a disease for which no FDA approved therapies currently exist. CF602 is our second generation allosteric drug candidate for the treatment of sexual dysfunction, which has shown efficacy in the treatment of erectile dysfunction in preclinical studies and is being prepared for an IND submission to the FDA and a Phase I trial. Preclinical studies revealed that our drug candidates have potential to treat additional inflammatory diseases, such as Crohn's disease, oncological diseases and viral diseases, such as the JC virus.

We are currently: (i) conducting preparatory work for a Phase III trial for CF101 in the treatment of RA, following agreement with the European Medicine Agency, or EMA, on our protocol design, and we plan to submit our study protocol to Institutional Review Boards, or IRBs, in the first quarter of 2017, (ii) awaiting a meeting with the EMA to discuss our protocol design for a Phase III trial for CF101 in the treatment of psoriasis which is scheduled to take place in the third quarter of 2016, (iii) conducting a Phase II study with respect to the development of CF102 for the treatment of HCC and anticipate completing enrollment of approximately 78 patients during the second half of 2016, (iv) planning to file a Phase II study protocol with IRBs in the fourth quarter of 2016, for our first human clinical study of CF102 in the treatment of NASH, a new indication identified by us for our liver cancer drug, and (v) conducting IND enabling studies with respect to the development of CF602 in the treatment of sexual dysfunction for the submission of an IND to the FDA during the fourth quarter of 2016.

Since inception, we have incurred significant losses in connection with our research and development. At June 30, 2016, we had an accumulated deficit of NIS 334.06 million ($86.86 million). Although we have recognized revenues in connection with our out-licensing agreements with Cipher and KD and from our former out-licensing agreement with Seikagaku Corporation, or SKK, we expect to generate losses in connection with the research and development activities relating to our pipeline of drug candidates. Such research and development activities are budgeted to expand over time and will require further resources if we are to be successful. As a result, we expect to incur operating losses, which may be substantial over the next several years, and we will need to obtain additional funds to further develop or research and development programs.

We have funded our operations primarily through the sale of equity securities (both in private placements and in public offerings) and payments received under the licensing arrangements with Cipher, KD and SKK. We expect to continue to fund our operations over the next several years through our existing cash resources, potential future milestone payments that we expect to receive from our licensees, interest earned on our investments, if any, and additional capital to be raised through public or private equity offerings or debt financings. As of June 30, 2016, we had NIS 46.42 million ($12.07 million), of cash and cash equivalents.

Results of Operations

Revenues

In the six months ended June 30, 2016, we recorded revenues of NIS 0.43 million ($0.11 million) compared to NIS 0.27 million ($0.07 million) in the first six months ended June 30, 2015. The increase in revenue was due to the recognition of a portion of the NIS 5.14 million ($1.34 million) upfront payment received in March 2015 under the distribution agreement with Cipher.

Research and development expenses

Research and development expenses for the six months ended June 30, 2016 were NIS 9.97 million ($2.59 million) compared with NIS 5.75 million ($1.5 million) for the same period in 2015. Research and development expenses for the first half of 2016 comprised primarily of expenses associated with the Phase II study for CF102, the preclinical study for CF602, as well as expenses for ongoing studies of CF101. The increase is primarily due to costs associated with preparations of the CF101 Phase III studies in the treatment of RA and psoriasis.

General and administrative expenses

General and administrative expenses were NIS 4.99 million ($1.3 million) for the six months ended June 30, 2016 compared to NIS 4.67 million ($1.21 million) for the same period in 2015. The increase is primarily due to an increase in share based compensation expense.

Financial income, net

Financial income, net for the six months ended June 30, 2016 aggregated NIS 3.19 million ($0.83 million) compared to financial income, net of NIS 1.88 million ($0.49 million) for the same period in 2015. The increase in financial income, net in the first half of 2016 was mainly due to a larger decrease in the fair value of warrants that are accounted for as financial liability as compared to the same period in 2015. In addition, the increase in financial income, net in the first half of 2016 was attributable to a decrease in financial expenses due to exchange rate differences as compared to the same period in 2015.

Liquidity and Capital Resources

Since inception, we have funded our operations primarily through public (in Israel and US) and private offerings of our equity securities and payments received under our strategic licensing arrangements. At June 30, 2016, we had NIS 46.42 million ($12.07 million) of cash and cash equivalents, and have invested most of our available cash funds in short-term bank deposits. During the first quarter of 2015, we received approximately NIS 5.14 million ($1.34 million) from Cipher, as upfront payment for entering into the distribution agreement with Cipher and in September and October 2015, we raised approximately NIS 48.76 million ($12.68 million) in registered direct offerings.

We may be able to use U.S. taxes withheld as credits against Israeli corporate income tax when we have income, if at all, but there can be no assurance that we will be able to realize the credits. In addition, we believe that we may be entitled to a refund of such withholding tax from the U.S. government but there can be no assurance that we will be entitled to such a refund.

Net cash used in operating activities was NIS 20.16 million ($5.24 million) for the six months ended June 30, 2016, compared with net cash used in operating activities of NIS 7.41 million ($1.93 million) for the same period in 2015. The NIS 12.75 million increase in the net cash used in operating activities during the six months ended June 30, 2016 compared to the same period in 2015, was primarily the result of working capital adjustments and an increase in research and development expenses.

Net cash used in investing activities for the six months ended June 30, 2016 was NIS 0.04 million ($0.01 million) compared to net cash used in investing activities of NIS 0.14 million ($0.04 million) for the same period in 2015. The NIS 0.10 million decrease in the net cash used in investing activities during the six months ended June 30, 2016 compared to the same period in 2015, was mainly due to laboratory equipment purchases.

There was no net cash provided by financing activities for the six months ended June 30, 2016 and for the same period in 2015.

Developing drugs, conducting clinical trials and commercializing products is expensive and we will need to raise substantial additional funds to achieve our strategic objectives. Although we believe our existing financial resources as of June 30, 2016, will be sufficient to fund our projected cash requirements through for the next twelve months, we will require significant additional financing to fund our operations. Additional financing may not be available on acceptable terms, if at all. Our future capital requirements will depend on many factors, including:

- the progress and costs of our preclinical studies, clinical trials and other research and development activities;
- the scope, prioritization and number of our clinical trials and other research and development programs;
- the amount of revenues we receive under our licensing arrangements;
- the costs of the development and expansion of our operational infrastructure;
- the costs and timing of obtaining regulatory approval of our platform and products;
- the ability of us or our collaborators to achieve development milestones, marketing approval and other events or developments under our licensing agreements;
- the costs of filing, prosecuting, enforcing and defending patent claims and other intellectual property rights;
- the costs and timing of securing manufacturing arrangements for clinical or commercial production;
- the costs of contracting with third parties to provide sales and marketing capabilities for us;
- the costs of acquiring or undertaking development and commercialization efforts for any future products or platforms;
- the magnitude of our general and administrative expenses; and
- any cost that we may incur under current and future licensing arrangements relating to our platform and products.

Until we can generate significant continuing revenues, we expect to satisfy our future cash needs through payments received under our license agreements, debt or equity financings, or by out-licensing other product candidates. We cannot be certain that additional funding will be available to us on acceptable terms, or at all. If funds are not available, we may be required to delay, reduce the scope of, or eliminate one or more of our research or development programs or our commercialization efforts.

Research and Development, Patents and Licenses, Etc.

Our research and development expenses consist primarily of salaries and related personnel expenses, fees paid to external service providers, up-front and milestone payments under our license agreements, patent-related legal fees, costs of preclinical studies and clinical trials, drug and laboratory supplies and costs for facilities and equipment. We charge all research and development expenses to operations as they are incurred. We expect our research and development expense to remain our primary expense in the near future as we continue to develop our products. Increases or decreases in research and development expenditures are attributable to the number and/or duration of the pre-clinical and clinical studies that we conduct.

The following table identifies our current major research and development projects:

Project	Status	Expected or Recent Near Term Milestone
CF 101	Preparing for a Phase III study in RA	Conducting preparatory work for a Phase III trial, following agreement with the EMA on our protocol design, and we plan to submit our study protocol to IRBs in the first quarter of 2017
	Completing design of Phase III study in psoriasis	Awaiting a meeting with the EMA to discuss our protocol design for a Phase III trial which is scheduled to take place in the third quarter of 2016
CF 102	Phase II in HCC	Completion of patient enrollment in second half of 2016
	Preparing for a Phase II study in NASH	Planning to file Phase II protocol with IRBs in fourth quarter of 2016
CF 602	Preparing for a Phase I study in sexual dysfunction	Conducting IND enabling studies for the submission of an IND to the FDA during the fourth quarter of 2016

We record certain costs for each development project on a "direct cost" basis, as they are recorded to the project for which such costs are incurred. Such costs include, but are not limited to, CRO expenses, drug production for pre-clinical and clinical studies and other pre-clinical and clinical expenses. However, certain other costs, including but not limited to, salary expenses (including salaries for research and development personnel), facilities, depreciation, share-based compensation and other overhead costs are recorded on an "indirect cost" basis, i.e., they are shared among all of our projects and are not recorded to the project for which such costs are incurred. We do not allocate direct salaries to projects due to the fact that our project managers are generally involved in several projects at different stages of development, and the related salary expense is not significant to the overall cost of the applicable projects. In addition, indirect labor costs relating to our support of the research and development process, such as manufacturing, controls, pre-clinical analysis, laboratory testing and initial drug sample production, as well as rent and other administrative overhead costs, are shared by many different projects and have never been considered by management to be of significance in its decision-making process with respect to any specific project. Accordingly, such costs have not been specifically allocated to individual projects.

Set forth below is a summary of the gross direct costs allocated to our main projects on an individual basis, as well as the gross direct costs allocated to our less significant projects on an aggregate basis, for the years ended December 31, 2013, 2014 and 2015 and for the six months ended June 30, 2016 and on an aggregate basis since project inception:

	($ in thousands) Year Ended December 31,			Six Months Ended June 30,	Costs Since Project
	2013	2014	2015	2016	Inception
CF 101	2,624	1,866	971	698	21,943
CF 102	268	1,289	1,044	832	4,553
CF 602	-	23	243	446	712
Other projects	-	18	1	-	19
Total gross direct project costs [1]	2,892	3,196	2,259	1,976	27,227

(1) Does not include indirect project costs and overhead, such as payroll and related expenses (including stock-based compensation), facilities, depreciation and impairment of intellectual property, which are included in total research and development expenses in our financial statements.

Under our licensing agreement with Eye-Fite, Eye-Fite is responsible for making payments to our licensor, the NIH, for certain patent rights relating to CF101.

From our inception through June 30, 2016, we have incurred research and development expenses of approximately $64 million. We expect that a large percentage of our research and development expense in the future will be incurred in support of our current and future preclinical and clinical development projects. Due to the inherently unpredictable nature of preclinical and clinical development processes and given the early stage of our preclinical product development projects, we are unable to estimate with any certainty the costs we will incur in the continued development of the product candidates in our pipeline for potential commercialization. Clinical development timelines, the probability of success and development costs can differ materially from expectations. We expect to continue to test our product candidates in preclinical studies for toxicology, safety and efficacy, and to conduct additional clinical trials for each product candidate. If we are not able to enter into an out-licensing arrangement with respect to any product candidate prior to the commencement of later stage clinical trials, we may fund the trials for the product candidates ourselves.

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 no off-balance sheet arrangements that have had or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

Exhibit 99.2

CAN-FITE BIOPHARMA LTD.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AS OF JUNE 30, 2016

UNAUDITED

INDEX

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INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

In thousands (except for share and per share data)

	Convenience translation into U.S. dollars		
	June 30, 2016	June 30, 2016	December 31, 2015
	Unaudited		Audited
	USD	NIS	
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	12,070	46,422	66,026
Other receivable and prepaid expenses	1,717	6,604	2,419
Total current assets	13,787	53,026	68,445
NON-CURRENT ASSETS:			
Lease deposits	7	27	27
Property, plant and equipment, net	62	237	236
Total long-term assets	69	264	263
Total assets	13,856	53,290	68,708

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

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

In thousands (except for share and per share data)

	Convenience translation into U.S. dollars		
	June 30, 2016	June 30, 2016	December 31, 2015
	Unaudited		Audited
	USD	NIS	
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Trade payables	635	2,442	1,803
Deferred revenues	223	857	857
Other accounts payable	742	2,855	4,279
Total current liabilities	1,600	6,154	6,939
NON-CURRENT LIABILITIES:			
Warrants exercisable into shares	3,419	13,151	16,725
Deferred revenues	836	3,213	3,641
Severance pay, net	167	643	630
Total long-term liabilities	4,422	17,007	20,996
CONTINGENT LIABILITIES AND COMMITMENTS			
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY:			
Share capital	1,830	7,039	7,030
Share premium	86,550	332,873	332,873
Capital reserve from share-based payment transactions	5,194	19,976	19,288
Warrants exercisable into shares (series 10-12)	2,336	8,983	8,983
Treasury shares, at cost	(943)	(3,628)	(3,628)
Accumulated other comprehensive loss	(365)	(1,403)	(1,401)
Accumulated deficit	(86,859)	(334,062)	(322,876)
Total equity attributable to equity holders of the Company	7,743	29,778	40,269
Non-controlling interests	91	351	504
Total equity	7,834	30,129	40,773
Total liabilities and equity	13,856	53,290	68,708

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

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

In thousands (except for share and per share data)

	Convenience translation into U.S. dollars	Six months ended June 30,	
	2016	2016	2015
		Unaudited	
	USD	NIS	NIS
Revenues	111	428	271
Research and development expenses	2,592	9,968	5,751
General and administrative expenses	1,299	4,996	4,670
Operating loss	3,780	14,536	10,150
Finance expenses	149	575	1,005
Finance income	(978)	(3,761)	(2,886)
Net loss	2,951	11,350	8,269
Other comprehensive loss (income):			
Adjustments arising from translating financial statements of foreign operations	1	3	(370)
Total comprehensive loss	2,952	11,353	7,899
Net loss attributable to:			
Equity holders of the Company	2,908	11,186	7,898
Non-controlling interests	43	164	371
	2,951	11,350	8,269
Total comprehensive loss attributable to:			
Equity holders of the Company	2,909	11,188	7,594
Non-controlling interests	43	165	305
	2,952	11,353	7,899
Net loss per share attributable to equity holders of the Company :			
Basic and diluted net loss per share	0.10	0.40	0.37
Basic and diluted net loss per share	0.10	0.40	0.37

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

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

NIS in thousands (except for share and per share data)

	Attributable to equity holders of the Company									
	Share capital	Share premium	Capital reserve from share-based payment transactions	Warrants exercisable into shares	Treasury shares	Accumulated other comprehensive income (loss)	Accumulated deficit	Total	Non-controlling interests	Total equity
	NIS									
Balance as of January 1, 2016	7,030	332,873	19,288	8,983	(3,628)	(1,401)	(322,876)	40,269	504	40,773
Loss	-	-	-	-	-	-	(11,186)	(11,186)	(164)	(11,350)
Adjustments arising from translating financial statements of foreign operations	-	-	-	-	-	(2)	-	(2)	(1)	(3)
Total comprehensive income (loss)	-	-	-	-	-	(2)	(11,186)	(11,188)	(165)	(11,353)
Share-based payment	9	-	688	-	-	-	-	697	12	709
Balance as of June 30, 2016 (unaudited)	7,039	332,873	19,976	8,983	(3,628)	(1,403)	(334,062)	(29,778)	351	30,129
Balance as of January 1, 2015	5,441	301,787	17,153	9,652	(3,628)	(1,015)	(304,150)	25,240	1,460	26,700
Loss	-	-	-	-	-	-	(7,898)	(7,898)	(371)	(8,269)
Foreign currency translation reserve	-	-	-	-	-	304	-	304	66	370
Total comprehensive income (loss)	-	-	-	-	-	304	(7,898)	(7,594)	(305)	(7,899)
Expire of warrants exercisable into shares	-	669	-	(669)	-	-	-	-	-	-
Share-based payment	-	-	72	-	-	-	-	72	55	127
Balance as of June 30, 2015 (unaudited)	5,441	302,456	17,225	8,983	(3,628)	(711)	(312,048)	17,718	1,210	18,928

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

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

US.dollars in thousands (except for share and per share data)

	Attributable to equity holders of the Company									
	Share capital	Share premium	Capital reserve from share-based payment transactions	Warrants exercisable into shares	Treasury shares	Accumulated other comprehensive income (loss)	Accumulated deficit	Total	Non-controlling interests	Total equity
	Convenience translation into U.S. dollars									
Balance as of January 1, 2016	1,828	86,550	5,015	2,336	(943)	(364)	(83,951)	10,471	131	10,602
Loss	-	-	-	-	-	-	(2,908)	(2,908)	(43)	(2,951)
Adjustments arising from translating financial statements of foreign operations	-	-	-	-	-	(1)	-	(1)	-	(1)
Total comprehensive income (loss)	-	-	-	-	-	(1)	(2,908)	(2,909)	(43)	(2,952)
Share-based payment	2	-	179	-	-	-	-	181	3	184
Balance as of June, 2016	1,830	86,550	5,194	2,336	(943)	(365)	(86,859)	7,743	91	7,834

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

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

In thousands (except for share and per share data)

	Convenience translation into U.S. dollars	Six months ended June 30,	
	2016	2016	2015
		Unaudited	
	USD	NIS	NIS
Cash flows from operating activities:			
Net loss	(2,951)	(11,350)	(8,269)
Adjustments to reconcile net loss to net cash used:			
Depreciation of property, plant and equipment	9	35	30
Share-based payment	184	709	127
Increase (decrease) in severance pay, net	3	13	(10)
Changes in fair value of warrants liability exercisable into shares	(929)	(3,574)	(2,872)
Exchange differences on balances of cash and cash equivalents	(154)	(593)	(658)
	(887)	(3,410)	(3,383)
Working capital adjustments:			
Decrease (Increase) in accounts receivable and prepaid expenses and lease deposit	(1,087)	(4,187)	535
Increase (decrease) in trade payables	176	678	(597)
Increase (decrease) in deferred revenues	(111)	(428)	4,870
Decrease in other accounts payable	(381)	(1,464)	(563)
	(1,404)	(5,401)	4,245
Net cash used in operating activities	(5,242)	(20,161)	(7,407)

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

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

In thousands (except for share and per share data)

	Convenience translation into U.S. dollars	Six months ended June 30,	
	2016	2016	2015
		Unaudited	
	USD	NIS	NIS
Cash flows from investing activities:			
Purchase of property, plant and equipment	(9)	(36)	(143)
Net cash used in investing activities	(9)	(36)	(143)
Exchange differences on balances of cash and cash equivalents	154	593	658
Decrease in cash and cash equivalents	(5,097)	(19,604)	(6,892)
Cash and cash equivalents at the beginning of the period	17,167	66,026	36,091
Cash and cash equivalents at the end of the period	12,070	46,422	29,199
Supplemental disclosure of cash flow information:			
Cash received during the year for interest	20	75	18

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

NOTE 1:- GENERAL

a. These financial statements have been prepared in a condensed format as of June 30, 2016 and for the six months then ended. These financial statements should be read in conjunction with the Company's annual consolidated financial statements as of December 31, 2015 and for the year then ended and accompanying.

b. Definitions:

In these consolidated financial statements:

The Company	-	Can-Fite Biopharma Ltd.
The Group	-	The Company and its subsidiaries (as defined below).
Subsidiaries	-	Companies that are controlled by the Company (as defined in IAS 27 (2008)) and whose accounts are consolidated with those of the Company.
OphthaliX	-	OphthaliX Inc. (owned 82% by the Company).
Related company	-	Eye-Fite Ltd. (OphthaliX Inc.'s wholly owned subsidiary).
Related parties	-	As defined in IAS 24.
NIS	-	New Israeli Shekel.
USD	-	U.S. dollar.

c. On July 5, 2016, OphthaliX released top-line results from its Phase II clinical trial of CF101 for the treatment of glaucoma. In this trial, no statistically significant differences were found between the CF101 treated group and the placebo group in the primary endpoint of lowering intra ocular pressure ("IOP"). High IOP is a characteristic of glaucoma. CF101 was found to have a favorable safety profile and was well tolerated.

d. For the six months ended June 30, 2016, the Company incurred net losses of NIS 11,350 and had negative cash flows from operating activities in the amount of NIS 20,161 as well as accumulated losses from previous years. In addition, based on the decision of the Company's board of directors, the Company has undertaken to finance OphthaliX's clinical development at least until October 9, 2016. The Company has not yet generated any material revenues from sales of its own developed products, or license agreements, and has financed its activities by raising capital and by collaborating with multinational companies in the industry. In September and October 2015, the Company raised a net total of NIS 32,349 thousand (approximately $8,208 thousand) and NIS 16,410 thousand (approximately $4,300 thousand) respectively. For further information see Note 4. Also in March 2015, the Company received a net total of NIS 5,141 (CAD 1,650) upfront payment according to a distribution agreement with Cipher Pharmaceuticals, Inc. ("Cipher") for future sales in Canada. For further information see Note 3. The Company has other alternative plans for financing its ongoing activities, if necessary, such as having the flexibility to control clinical trials costs and/or by monetizing the Company's shares held by OphthaliX. There are no assurances that the Company will be successful in obtaining an adequate level of financing needed for its long-term research and development activities. If the Company will not have sufficient liquidity resources, the Company may not be able to continue the development of all of its products or may be required to delay part of its development programs.

NOTE 1:- GENERAL (Cont.)

The Company's management and board of directors are of the opinion that these financial resources will be sufficient to continue the development of the company's products at least for twelve months from the balance sheet date.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES

a. Basis of presentation of the financial statements

The interim condensed consolidated financial statements for the six months period ended June 30, 2016 have been prepared in accordance with IAS 34, "Interim Financial Reporting".

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended December 31, 2015.

b. Convenience translation

For the convenience of the reader, the reported NIS amounts as of June 30, 2016 have been translate into U.S. dollars at the representative rate of exchange on June 30, 2016 (U.S. $1 = NIS 3.846). The U.S. dollar amounts presented in these financial statements should not be construed as representing amounts that are receivable or payable in dollars or convertible into U.S. dollars, unless otherwise indicated. The U.S. dollar amounts were rounded to whole numbers for convenience.

NOTE 3:- CONTINGENT LIABILITIES AND COMMITMENTS

a. Liabilities to pay royalties:

1. According to the license agreement that the Company entered into with the NIH on January 29, 2003, the Company committed to pay royalties until the expiration of the last patent licensed under the license agreement. The last patent under this agreement expired on June 29, 2015, and therefore except with respect to any amounts already accrued on the Company’s balance sheet, no future payments or royalties will be due.

As of June 30, 2016, the Company accrued NIS 1,635 thousand (approximately $425 thousand) in other accounts payable with respect to the NIH.

2. According to the patent license agreement that the Company entered into with Leiden University in the Netherlands on November 2, 2009, which is affiliated with the NIH, the Company was granted an exclusive license for the use of the patents of several compounds, including CF602 in certain territories.

   The Company is committed to pay royalties as follows:

   a) A one-time concession commission of €25 thousand;
   b) Annual royalties of €10 thousand until the clinical trials commence;
   c) 2%-3% of net sales (as defined in the agreement) received by the Company;
   d) Royalties in a total amount of up to €850 thousand based on certain progress milestones in the license stages of the products, which are the subject of the patent under the agreement, as follows: (i) €50 thousand upon initiation of Phase I studies; (ii) €100 thousand upon initiation of Phase II studies; (iii) €200 thousand upon initiation of Phase III studies; and (iv) €500 thousand upon marketing approval by any regulatory authority.
   e) If the agreement is sublicensed to another company, the Company will provide Leiden University royalties at a rate of 10%. A merger, consolidation or any other change in ownership will not be viewed as an assignment of the agreement as discussed in this paragraph.

   As of December 31, 2015, and as of June 30, 2016, no accrual is recorded with respect to Leiden University.

b. Commitments and license agreements:

1. In September 2006, the Company signed an exclusive license agreement regarding inflammatory indicators, including rheumatoid arthritis indicators (excluding eye disease indicators) with a public Japanese company, (the "Japanese Corporation"), for the use, development and marketing of the Company's CF101 drug in Japan only. Under the agreement, the Company received certain payments from the Japanese Corporation. In August 2015, the Company and the Japanese Corporation terminated the license agreement.

2. In March 2015, the Company signed a distribution agreement with Cipher. As part of the distribution agreement, Cipher will distribute Can-Fite's lead drug candidate, CF101 ("Product") for the treatment of psoriasis and rheumatoid arthritis in the Canadian market upon receipt of regulatory approvals.

   Under the terms of the agreement, Cipher made an upfront payment of NIS 5,141 thousand (CAD 1,650 thousand) to the Company in March 2015. In addition, the agreement provides that additional payments of up to CAD 2,000 thousand will be received by the Company upon the achievement of certain milestones plus royalty payments of 16.5% of net sales of CF101 in Canada. The agreement further provides that the Company will deliver finished product to Cipher and that Cipher will reimburse the Company for the cost of manufacturing.

Furthermore, under the distribution agreement, the Company shall be responsible for conducting product development activities including management of the clinical studies required in order to secure regulatory approvals, and shall use commercially reasonable efforts in conducting such activities. In addition, the Company agreed to form a joint steering committee with Cipher which will oversee the progress of the clinical studies.

The Company identified four components in the agreement: (i) performing the research and development services through regulatory approval; (ii) exclusive license to distribute the product in Canada; (iii) participation in joint steering committee; and,
(iv) royalties resulting from future sales of the product. Components (i) – (iii) were analyzed as one unit of accounting. Consequently, revenue from these components is recorded based on the term of the research and development services (which is the last deliverable in the arrangement). The Company estimates these services will spread over a period of 24 quarters beginning March 2015. Component (iv) was not accounted as part of the research and development services and will be recognized entirely upon the Company reaching sales stage.

3. In December 2008, the Company signed an agreement regarding the provision of a license for its CF101 drug with a South Korean pharmaceutical company, Kwang Dong Pharmaceutical Co. Ltd. (the "Korean License Agreement" and the "Korean Company", respectively). According to the license agreement, the Company granted the Korean Company a license to use, develop and market its CF101 drug for treating only rheumatoid arthritis only in the Republic of Korea.

   According to the license agreement, the Company is entitled to receive the following amounts:

   a) A non-refundable amount of $300 thousand that was received on the effective date of the license agreement in 2006, and up to $1.2 million (gross) based on the Company's achievement of certain milestones as follows: (i) $200 thousand upon the public announcement of the data from the Can-Fite Phase II clinical trial (such amount was received and included in the Company's revenue for the year ended December 31, 2010); (ii) $200 thousand upon commencement of the first clinical study by the Korean Company in the Republic of Korea; (iii) $200 thousand upon submission by the Korean Company of a new drug application in the Republic of Korea; (iv) $300 thousand upon all approval, licenses or authorizations of any regulatory authority necessary for the commercial marketing, sale and use of the product in the United States, in the European Union as a whole or in any one of the following countries: Germany, Italy, the United Kingdom, France or Switzerland; and (v) $300 thousand upon commercial launch of the product in the Republic of Korea.

   b) The Company is entitled to annual royalties of 7% based on sales of CF101 in Korea as marketed by the Korean Company according to the Korean License Agreement.

As of December 31, 2015, and as of June 30, 2016, the Company estimates that such contingent payments are remote.

c. Class action:

On June 29, 2015 the Company was served with a motion to approve a purported class action, naming the Company, its Chief Executive Officer and its directors as defendants. The motion was filed with the District Court of Tel-Aviv. The lawsuit alleges, among other things, that the Company misled the public with regard to disclosures concerning the efficacy of the Company's drug candidate, CF101. The claimant alleges that he suffered personal damages of over NIS 73 thousand, while also claiming that the shareholders of the Company suffered damages of approximately NIS 125 million. The Company believes it has strong defense against these allegations and that the District Court should deny the motion to approve the class action, however, there is no assurance that the Company's position will be accepted by the District Court. In such case the Company may have to divert attention of its executives to deal with this class action as well as incur expenses that may be beyond its insurance coverage for such cases, which cause a risk of loss and expenditures that may adversely affect its financial condition and results of operations.

NOTE 4:- EQUITY

a. Composition of share capital:

	June 30, 2016		December 31, 2015	
	Authorized	Issued and outstanding	Authorized	Issued and outstanding
	Number of Shares			
Ordinary shares of NIS 0.25 par value each	80,000,000	28,156,728	80,000,000	28,119,728

b. Issue of shares and warrants and changes in equity:

1. In October 2015, the Company granted an amount of 200,000 options to acquire up to 200,000 of the Company's ordinary shares to one of its directors at an exercise price of NIS 3.573 per share. The options will vest over a period of three years on a quarterly basis for 12 consecutive quarters from the date of the grant. The term of the options is 10 years.

2. On May 26, 2016, the Company's board of directors approved a grant of 64,000 shares of the Company to its service provider. Pursuant to the agreement with the service provider, and as partial consideration, the Company issued 37,000 ordinary and agreed to issue an additional 37,000 ordinary shares within 180 days, provided that the agreement was not terminated. As of June 30, 2016 the Company recorded an amount of NIS 188 thousand for share based payment expenses relating to this transaction.

In addition, the Company's board of directors approved a grant of 20,000 options exercisable up to 20,000 Ordinary Shares of the Company to one of its advisers at an exercise price of 5.376 NIS per Share. The options will vest on a quarterly basis for a period of 48 months from the grant date.

c. Warrants classified as equity:

1. The Company had 12,168,000 registered warrants (Series 9) that were exercisable into 486,720 ordinary shares of the Company for an exercise price of NIS 21.25 per share. These warrants expired on May 1, 2015.

2. The Company has 39,042,000 registered warrants (Series 10) that are exercisable into 1,561,680 ordinary shares of the Company for NIS 9.85 per share. The warrants were originally exercisable until October 31, 2015. In November 2015, the Company's Special General Meeting of its Shareholders approved an extension of the term of the Company's Series 10 Warrants until October 31, 2016, and to allow the exercise of the Series 10 Warrants on any trading day.

3. The Company has 37,372,500 registered warrants (Series 11) that are exercisable into 1,494,900 ordinary shares of the Company for NIS 9.80 per share. The warrants were originally exercisable until April 30, 2016. In April 2016, the Company's Special General Meeting of its Shareholders approved an extension of the term of the Company's Series 11 Warrants until October 31, 2016, and to allow the exercise of the Series 11 Warrants on any trading day.

4. The Company has 1,470,000 registered warrants (Series 12) that are exercisable into 1,470,000 ordinary shares of the Company for NIS 15.29 per share. The warrants are exercisable until October 22, 2016.

d. In February 2016, the Company's board of directors approved a grant of unlisted options exercisable into 160,000 of the Company's ordinary shares to three of its employees and one senior officer for an exercise price of NIS 4.317 per shares. The options vest on a quarterly basis for a period of 48 months from the grant date.

NOTE 5:- TRANSACTIONS WITH RELATED PARTIES

The following table provides the total amount of transactions that have been entered into with related parties during the six months ended June 30, 2016 and 2015:

	Six months ended June 30,	
	2016	2015
	NIS in thousands	
Management and consulting fees and share based payment	964	525
Other expenses	23	24
Patent expenses	331	253
Directors' fee and share-based payment	214	264

As of June 30, 2016 and December 31, 2015, there were no outstanding balances with related parties.

NOTE 6:- FINANCIAL INSTRUMENTS

The Company's warrants exercisable into shares liability are classified as level 3 (valuations based on unobservable inputs reflecting assumptions, consistent with reasonably available assumptions made by other market participants). The carrying amount of cash and cash equivalents, accounts receivables, trade payables and other accounts payable approximate their fair value.