



## PRESS RELEASE

### Results for the 1<sup>st</sup> half of 2014

- 8% increase in revenue, including +16% in Experimentation activity
- Solid operating performance
- Net cash position of €10.7 million

**Dijon (France), September 8, 2014** – ONCODESIGN (Alternext - ALONC), a biotechnology company serving the pharmaceutical industry in the discovery of new therapeutic molecules to fight cancer and other serious illnesses with no known efficient treatment, today announces its results for the 1<sup>st</sup> half of 2014.

€ millions	H1 2014	H1 2013	Δ
Experimentation revenue	2.58	2.23	+15.7%
Discovery revenue	0.53	0.63	-15.9%
<b>Total revenue</b>	<b>3.11</b>	<b>2.87</b>	<b>+8.4%</b>
Other operating revenue	0.2	0.2	=
<b>Total operating revenue</b>	<b>3.31</b>	<b>3.07</b>	<b>+7.8%</b>
Operating costs	(5.06)	(4.98)	+1.6%
<b>Operating profit/ loss</b>	<b>(1.74)</b>	<b>(1.91)</b>	<b>+8.9%</b>
<b>Net profit / loss</b>	<b>(1.14)</b>	<b>(1.54)</b>	<b>+26.0%</b>
<b>Cash position (at June 30)</b>	<b>10.7</b>	<b>0.5</b>	<b>+10.2</b>

*Data were subject to a limited review by the Statutory Auditors*

#### Buoyant revenue growth

Over the first half of 2014, Oncodesign recorded revenue of €3.11m, up 8% compared with the same period of 2013. Experimentation revenue increased by 16% over the first half of the year, totaling €2.58m versus €2.23m a year earlier. 79% of Experimentation revenue was recorded outside of France. Discovery revenue corresponded to the reimbursement of R&D costs paid by Oncodesign from partnerships with Ipsen and UCB.

#### Solid operating performance

Besides the 8% growth in revenue, operating costs were limited to €5.06m, a 2% increase over the first half of 2014. Personnel costs only increased from €1.86m at the end of June 2013 to €1.95m at the end of June 2014. This increase was partly due to the standard global pay increase of 2% given to all Oncodesign's employees.

The increase in R&D costs was also well controlled, with such costs only rising by 8%. The operating loss was thus just -€1.74m at the end of June 2014 versus -€1.91m at the end of June 2013, i.e. an improvement of 9%.

The net loss over the first six months of the year also improved, decreasing from -€1.54m to -€1.14m. This figure, positively affected by the increase in financial income following the Company's IPO, reflects the improvement in the operating loss over the period and the increase in tax credit to an estimated €0.57m at the end of June 2014 from €0.32m at the end of June 2013.

## Net cash position of €10.7m, cash burn limited to €1.5m over the first half of 2014

Net cash burn, excluding the costs associated with the Company's IPO, totaled €1.5m over the first half of 2014. This figure was notably limited thanks to Oncodesign's balanced business model, which combines state-of-the-art R&D activities and repeat revenue from its Experimentation services activities.

At June 30, 2014, Oncodesign thus had a net cash position of €10.7m, taking into account the success of the €12.2m capital increase carried out in March 2014 during the Company's IPO on the Alternext Paris. It should be noted that, as of the end of June 2014, the Company had yet to receive payments relating to tax credits (research tax credit and tax credit for encouraging competitiveness and jobs) and grants associated with the Imakinib project. These payments, totaling €1.2m, were received by the Company at the end of July 2014.

## Outlook

Since the Company's IPO on the Alternext market, its R&D efforts have mainly focused on extending the molecule library in order to accelerate Discovery projects, with a 22% increase in R&D spending on the new generation kinase inhibitor research platform, Nanocyclix. This increase should further accelerate over the 2<sup>nd</sup> half of 2014.

Moreover, Oncodesign intends to continue developing its Experimentation activities, notably in North America and in Asia in order to supplement its solid position in Europe.

***"Our financial performance over the first half of 2014 shows that our costs and investments are under control despite the increase in activity. We will continue to accelerate our Discovery projects in the field of kinase inhibitors, in line with our strategic choice for an IPO, and to support the commercial deployment of our Experimentation activity. The financial discipline we have always strived for in Experimentation and the strict management of our Discovery projects give us confidence regarding the years to come", concludes Philippe Genne, CEO and founder of Oncodesign.***

## About ONCODESIGN: [www.oncodesign.com](http://www.oncodesign.com)

Founded 19 years ago by Dr. Philippe Genne, the Company's CEO and majority shareholder, ONCODESIGN is a biotech company that maximizes the pharmaceutical industry's chances of success in discovering new therapeutic molecules to fight cancer and other serious illnesses with no known efficient treatment. Backed by unique experience acquired through more than 500 clients, including the world's largest pharmaceutical companies, and relying on a comprehensive technological platform combining state-of-the-art medicinal chemistry and medical imaging, ONCODESIGN is able to predict and identify for every molecule, very upstream, its therapeutic use and its potential to become an efficient drug. Applied to kinase inhibitors, molecules that represent a market estimated at over 40 billion dollars in 2016 and accounting for almost 25% of the pharmaceutical industry's R&D investments, ONCODESIGN's technology has already enabled the targeting of 7 promising molecules with substantial therapeutic potential, in oncology and elsewhere, and the signing of partnerships, potentially worth €350 million in upfront payments should predefined milestones be reached, with pharmaceutical groups Sanofi, Ipsen and UCB. Based in Dijon, France, in the heart of the town's university and hospital hub, ONCODESIGN has 63 staff.

## Contacts

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