



Results and Activity for the First Half of 2014

Sales trend confirmed and in line with expectations

- **Surge in sales of molecular biology tests and Lisa-Tracker products confirmed: x2.8**
- **Increase in sales of in-house products: +7%, accounting for 55% of total sales**
- **Further improvement of the gross margin: +4 percentage points**

Croissy-Beaubourg and Montpellier, September 23rd, 2014 – THERADIAG (ISIN: FR0004197747, Ticker: ALTER, PEA-PME eligible), a company specializing in theranostics and in vitro diagnostic (IVD), today reports its consolidated half-year results at the end of June 30th, 2014 as approved by the Board of Directors on September 23rd, 2014.

Michel Finance, CEO of Theradiag, comments: *“In accordance with our strategy, we have continued the development of our theranostic range with an investment policy that remains strong, over the first half of 2014. Sales of molecular biology tests and Lisa-Tracker products were multiplied by 2.8. This buoyant growth and the increase in sales of our in-house products helped push up our gross margin. We are continuing our research and development efforts in order to accentuate our positioning on the oncology and HIV/AIDS markets, as well as the auto-immune disease market. Our results at the end of end-June are in line with expectations.”*

<i>In €k</i>	June 30 2014	June 30 2013
Sales	3,374	3,544
<i>incl. in-house sales</i>	<i>1,861</i>	<i>1,741</i>
<i>incl. distribution sales</i>	<i>1,513</i>	<i>1,802</i>
Operating profit/loss	-1,630	-1,045
Financial income	-18	-11
Pre-tax profit/loss	-1,694	-1,056
Exceptional items	27	6
Research tax credit	235	211
Net profit/loss	-1,432	-884

Consolidated accounts to June 30th, 2014 incorporate the results of Prestizia, a 100% subsidiary of Theradiag

2014 half-year results

- **Increase of in-house products sales**

Theradiag generated consolidated sales of €3.4 million over the first half of 2014, vs. 3.5 million over the same period of 2013, in line with its strategic repositioning towards its in-house products. The decrease in distribution activity was offset by the increase in sales of innovative distribution products (molecular biology), which increased threefold between the first half of 2013 and the first half of 2014, and by the continued increase in sales of Lisa-Tracker products, up 155%.



Sales of in-house products resulting from Theradiag's R&D totaled €1.9 million, up 7% on the first half of 2013. Its share of sales is continuing to increase, and accounted for 55% of total sales to June 30th, 2014 compared with 49% for the six months to June 30th, 2013.

- **Further improvement in the gross margin**

The favorable shift in the product mix generated a 4 percentage point improvement in the gross margin to 68% of sales, compared with 64% for the first half of 2013.

- **Substantial investment efforts dedicated to the development of the Lisa-Tracker theranostic range**

At June 30th, 2014, operating costs were up 15% at €5.7 million, compared with €5.0 million a year earlier, as a result of the substantial investment efforts undertaken in theranostics, with marketing costs notably increasing threefold.

R&D costs totaled €0.8 million over the first half of 2014 vs. €0.5 million over the first half of 2013.

Taking into account tax revenue of €0.2 million associated with research tax credit (*Crédit d'Impôt Recherche, CIR*), the consolidated net loss for the first half of 2014 was -€1.4 million, compared with -€0.9 million for the first half of 2013.

- **Cash position: €2.2 million**

At June 30th, 2014, the Company had €2.2 million in available cash.

2014 half-year highlights: further development of theranostic activity

- Strengthening of the microRNA development program in HIV/AIDS with the signing of two further partnership agreements with the research teams of the French National Center for Scientific Research (CNRS) / Institute of Molecular Genetics of Montpellier (IGMM) and the University of Montpellier (UM2) for the development of theranostic tests.
- A selection of Theradiag's Lisa-Tracker tests have been chosen by Abirisk, the first consortium of pharmaceutical and academic experts dedicated to the monitoring of biotherapies, to be used within the framework of a research project on the monitoring of biotherapies and the emergence of immunogenicity.
- Grant received from Bpifrance, the French Public Investment Bank, for a microRNA personalized medicine project in rectal cancer, following its success in the Worldwide Innovation Challenge launched by the French government.
- Launch of a new CE-marked automated solution, Theralis®, resulting from Theradiag's research and providing one of the market's most comprehensive multiplex set of assays. This new platform will help further consolidate and develop the multiple Fidis® portfolio.



- Signing of a fourth microRNA research partnership agreement with the French National Center for Scientific Research (CNRS) / the Institute of Molecular Genetics of Montpellier (IGMM) and the University of Montpellier (UM1 and 2) for the development of diagnostic and theranostic tools in Rheumatoid Arthritis (RA).

Recent events (since the end of the first half of 2014)

- Lisa-Tracker range expanded with an 8th CE-marked test in oncology. With the monitoring of the drug and of the anti-drug antibodies, this new test could optimize the treatment of patients on Avastin®.
- Launch of the second phase of the study to identify microRNA biomarkers to predict the response to treatment and metastatic relapse in rectal cancer (miCRA project), in partnership with the Regional Cancer Institute of Montpellier (ICM).

About Theradiag

Capitalizing on its expertise in the distribution, development and manufacturing of in vitro diagnostic tests, Theradiag innovates and develops theranostics tests (combining treatment and diagnosis) that measure the efficiency of biotherapies in the treatment of autoimmune diseases, cancer and AIDS. Theradiag notably markets the Lisa-Tracker range (CE marked), which is a comprehensive multiparameter theranostics solution for patients with autoimmune diseases treated with biotherapies. With its subsidiary Prestizia, Theradiag is developing new biomarkers based on microRNAs for the diagnosis and monitoring of HIV/AIDS and rectal cancer. Theradiag is thus participating in the development of “personalized medicine”, which favors the individualization of treatments, the evaluation of their efficacy and the prevention of drug resistance. The Company is based in Marne-la-Vallée, near Paris, and in Montpellier, and has over 65 employees. For more information about Theradiag, please visit our website: www.theradiag.com



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