

FOR IMMEDIATE RELEASE

IntegraGen Reports 2017 Annual Results: Continued Strength in Clinical Genomic Services and Improved Net Income

- Significant increase in revenue for genomic services associated with clinical research
- 50% reduction in operating loss compared to 2016
- Major operational progress for several key initiatives:
 - Finalization of the implementation of a production line for diagnostic kit
 - Obtained IVD CE marking from the miRpredX kit
 - Development of two new cloud-based SaaS software tools for the interpretation of sequencing data for research and clinical purposes

Evry, France (April 13, 2018) - IntegraGen (FR0010908723: ALINT - PEA-SME Eligible), a company specializing in the decoding of the human genome with a focus on producing interpretable genomic analyzes for academic and private laboratories and developing diagnostic tools in oncology, today announced the company’s financial results for the year ending December 31, 2017. The annual accounts were approved by the Board of Directors held on April 12, 2018.

Bernard Courtieu, President and CEO of IntegraGen said *“2017 was an exceptional year for IntegraGen and marks the entry of the company into a new phase of maturity. Our financial results show a clear improvement, and in particular, a very significant reduction in operating losses. The launch of new product offerings will support our efforts to achieve profitability and enable us to finance future development efforts. This includes the manufacture and commercialization of our IVD CE marked miRpredX kit in 2017 and the recent announcement related to the launch of SIRIUS™ and MERCURY™ interpretation software tools. These commercialization efforts will be aided by a signing of a North American licensing agreement for our miR-31-3p test with GoPath Laboratories (Chicago) and a worldwide distribution partnership for our software tools with Twist Bioscience (San Francisco). We approach 2018 with the ambition to see profitable growth within each of our business segments.”*

FINANCIALS - INTEGRAGEN SA

KEY INDICATORS	2017	2016	Var. %
<i>in thousand EUROS</i>			
Total revenues	6 593	6 345	+4%
<i>Sales</i>	6 247	6 022	+4%
<i>Operating subsidies and other revenue</i>	346	323	+7%
Operating costs	8 523	8 146	+5%
Operating profit	(1 930)	(1 801)	(7%)
Current result	(1 449)	(1 760)	+18%
Net result	(862)	(1 651)	+48%

FINANCIAL DATA FOR INTEGRAGEN SA

▪ Income Statement

Operating revenues amounted to 6,593 K€, an increase of 4% over 2016.

Total revenue amounted to 6,247 K€ with 6,107 K€ generated by the sales related to genomic services and 140 K€ associated with royalties for the company's diagnostic business.

Other revenues equaled 346 K€. This included a grant of 151 K€ linked to the ICE project (development of software for the Interpretation of Clinical Exomes) which was completed in December 2017, and a grant of 110 K€ related to the industrialization of the miRpredX kit.

Total operating expenses amounted to 8,523 K€, an increase of 5% compared to 2016. Staffing costs of 2,951 K€ were stable compared to the previous year. Purchases of supplies and reagents increased 3% versus 2016 to 2,908 K€ with this difference being in line with the increase in business activity.

Other operating expenses were 2,502 K€. This represented a 15% increase but was due in part to the use of external resources that supported the industrialization and launch of the miRpredX kit.

Operating losses totaled 1,930 k € compared to a loss of 1,801 K€ in 2016.

The financial result was a gain of 540 K€ compared to a gain of 41 K€ for the previous year. The financial results from foreign exchange gains and losses included a refundable advance granted to the IntegraGen Inc. subsidiary prior to 2010 which was incorporated into capital at the end of 2017.

The extraordinary result was a gain of 254 K€ in 2017 against a loss of 162 K€ in the previous year. The company received a debt waiver of 600 K€ from BPI in 2017. The company also recorded some exceptional losses in 2017, including the impact of the financial restructuring of the subsidiary IntegraGen, Inc.

Investment in Research and Development permitted the company to declare a research tax credit of 333 K€ in 2017.

After considering the above items, net income of the company was a loss of 861K€ for 2017 compared with loss of 861 K€ in 2016.

▪ Balance Sheet

IntegraGen has a solid balance sheet position with no financial debt. At the end of 2017, the total amount of repayable advances recorded on the balance sheet amounts to € 0.5 million and primary consists of BPI "Biomos" assistance.

Net cash at the end of 2017 equaled € 4.1 million versus € 2.7 million at the end of 2016. The Company successfully completed a reserved capital increase of € 3.7 million in February 2017. Operating cash consumption, excluding the capital increase, amounted to € 2.1 million for full year 2017.

It should be noted that the company repaid a reimbursable advance of 350 K€ to BPI in 2017

2017 ACTIVITIES

- **Genomic services**

Total sales revenues increased 4% compared to 2016.

Genomic services posted a 14% increase in the clinical segment, notably due to the significant increase in projects carried out in clinical research in collaboration with the Gustave Roussy Cancer Center. Gustave Roussy and IntegraGen renewed their current partnership agreement in 2017 for a new three-year period.

While revenue was down slightly by 4% for the R & D business segment, orders booked increased sharply by 12% in 2017 leading to the anticipating of a significant recovery in activity levels and increases in genomic services business in the coming months.

- **Software**

Work on the ICE Project (Interpretation of Clinical Exome) carried out in collaboration with Gustave Roussy, Inserm and Sogeti Hightech was completed in December 2017.

The company has also developed two cloud-based software solutions in part from this work: SIRIUS™ and MERCURY™. SIRIUS assists researchers to quickly and intuitively analyze exome data for Mendelian and oncology applications. MERCURY is a biological interpretation tool for oncology that transforms raw data obtained from high-throughput sequencing into a molecular biology report for clinical use. Both software tools have been commercially available since the beginning of 2018.

- **Oncology diagnostics**

Through several scientific studies IntegraGen has conducted since 2011, the company has validated the association between the expression of the microRNA miR-31-3p and the effects of anti-EGFR treatment in patients with metastatic colorectal cancer. The operational and commercial activities stemming from this research started in 2017.

The company has notably entered into a licensing agreement with Laboratoire CERBA in March 2017 for the miR-31-3p test. The company's miRpredX kit received IVD CE mark in September 2017 and is now available with a primary focus for commercialization activities within the European market. The miRpredX test measures the expression of the miR-31-3p biomarker and predicts the response to anti-EGFR treatments for patients with metastatic colorectal cancer. The company recorded its first revenues for its diagnostics business in 2017 with revenue of 140 K€. This revenue was primarily related to the licensing agreement with Laboratoire CERBA.



2018 OUTLOOK

We anticipate our genomic services business will continue to grow in 2018, driven by the increase in orders we witness in 2017 and with sequencing offers integrating the provision of our new software tools. The 12% increase in orders in 2017 should result in a corresponding revenue growth in 2018

The company also plans to commercialize SIRIUS and MERCURY as cloud-based SaaS tools in 2018. A distribution agreement for these software tools with Twist Bioscience, one of the leaders in the field of targeted DNA capture kits, was announced in February 2018.

Finally, we signed a North American licensing agreement for our miR-31-3p biomarker with GoPath Laboratories in January 2018. This agreement will enable GoPath to commercialize a miR-31-3p test in the United States and Canada on a non-exclusive basis.

ABOUT INTEGRAGEN

IntegraGen is a company specializing in deciphering the human genome and producing relevant and easily interpretable data for academic and private laboratories. IntegraGen's oncology efforts provide researchers and clinicians with sophisticated tools for analysis and therapeutic individualization of treatment approaches allowing them to tailor therapy to the genetic profiles of patients. As of December 31, 2017, IntegraGen had 38 employees and had generated revenue of €6.2 million in 2017. Based in Evry Genopole, IntegraGen also has an U.S. office in Cambridge, Massachusetts. IntegraGen is listed on Euronext Growth (ISIN: FR0010908723 - Ticker: ALINT - PEA-SME).

For more information, visit www.integragen.com



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FINANCIAL STATEMENTS AS OF DECEMBER 31, 2017

P & L – INTEGRAGEN SA

<i>in K€</i>	2017	2016	Var. %
Revenues	6 247	6 022	+4%
Operating subsidies and other revenue	346	323	<i>ns</i>
Total Revenue	6 593	6 345	+4%
Operating costs	(8 523)	(8 146)	(5%)
Operating profit	(1 930)	(1 801)	(7%)
Financial Profit/Loss	480	41	<i>n/a</i>
Current Result	(1 450)	(1 759)	<i>n/a</i>
Exceptional Profit/Loss	254	(162)	<i>n/a</i>
Taxes (CIR)	333	271	
Net result	(863)	(1 651)	+48%

BALANCE SHEET – INTEGRAGEN SA

<i>in K€</i>	31/12/2017	31/12/2016
Long-Term Assets	738	1 502
Stocks	360	378
Accounts Receivable	2 410	2 140
Other Receivable	1 005	821
Cash	4 132	2 727
Current Assets	7 907	6 065
Translation difference	0	22
TOTAL ASSETS	8 645	7 590

<i>in K€</i>	31/12/2017	31/12/2016
Shareholders' Equity	3 930	1 282
Conditioned advance payment	540	1 492
Reserve	12	36
Notes payable to banks	0	0
Accounts Payable	2 440	3 023
Other short term debts	1 718	1 088
Translation difference	5	667
TOTAL LIABILITIES	8 645	7 590

