

PRESS RELEASE — FOR IMMEDIATE DISTRIBUTION

IntegraGen Announces 2016 Annual Results: Increase in operating revenues and significant improvement in operating income (+22%)

- Dynamic growth in all segments of the genomics services business
- Significant improvement in operating income: +22% to -1.8 M€
- Major operational advances:
 - global R&D agreement with AP-HP
 - presentations at ASCO and ESMO reinforcing results with miR-31-3p biomarker
 - installation of a production line for a miR-31-3p diagnostic kit
 - initiation of beta testing for ICE software

ÉVRY, FRANCE, FRIDAY, APRIL 21, 2017 - IntegraGen, a company specializing in the transformation of data from biological samples into genomic information and diagnostic tools for oncology, today announced its financial results for the year ending December 31, 2016. The financial statements were validated by the Company's Board of Directors on April 20, 2017.

Bernard Courtieu, Chairman and CEO of IntegraGen said: "2016 was a pivotal year for IntegraGen and we are particularly pleased to have achieved our financial objectives along with the return to growth of all business lines and the significant improvement in profitability. Major advances in oncology have allowed us to take the last steps before marketing our miRpredX test, which is based on the expression of our proprietary miR-31-3p biomarker in colorectal cancer, significantly improving the management of patients. We are entering 2017 with confidence and enthusiasm: the beta test of our clinical interpretation software was launched at the beginning of the year and we recently strengthened our cash position following a capital increase. Finally, a first license agreement for miR-31-3p with the laboratoire Cerba was finalized. We maintain our strategic focus: grow and value all our assets."

FINANCIAL RESULTS OF INTEGRAGEN SA

KEY INDICATORS <i>in thousand EUROS</i>	2016	2015	Var. %
Total revenues	6 345	5 852	+8%
<i>Sales</i>	6 022	5 584	+8%
<i>Operating subsidies and other revenue</i>	323	268	+21%
Operating costs	8 146	8 170	-
Operating profit	(1 801)	(2 318)	+ 22%
Current result	(1 759)	(2 409)	+ 27%
Net result	(1 651)	(1 533)	(8%)

▪ Income Statement

Operating income amounted to 6,345 K€, an increase of 8% compared to 2015. Revenues amounted to 6,022 K€, exclusively generated by the sale of services in genomics. Other income amounted to 323 K€. This included a grant of 250 K€ linked to the ICE project (development of a software to aid in the interpretation of clinical exomes and intended to facilitate therapeutic orientation in oncology), conducted in partnership with Gustave Roussy, SOGETI HIGH TECH and INSERM.

Total operating expenses amounted to 8,145 K€. This was stable compared to 2015. Personnel costs amounted to 2,990 K€, an increase of 4% over the year 2015. This increase is explained by an increase in the average number of employees over the year (36 people in 2016 compared to 33 in 2015).

Cost of goods amounted to 2,813 K€, an increase of 11% versus the previous year. This increase is primarily due to an 8% increase in the cost of benefits.

Other operating expenses amounted to 2,185 K€, a decrease of 18% compared to 2015. Reasons for this include a significant decrease in costs related to studies carried out by external laboratories, lower costs re-invoiced by the subsidiary IntegraGen, Inc., and lower intellectual property fees.

The operating loss was reduced by more than 22% to 1,801 K€ compared to 2,317 K€ in 2015.

The financial result is a gain of 41 K€ compared to a loss of 91 K€ for the previous year. Financial income is the result of foreign exchange gains and losses, notably on purchases in dollars.

The exceptional result was a loss of 162 K€ in 2016 against a gain of 569 K€ in the previous financial year. In 2016, the Company recorded net losses on the liquidity contract and made a provision for termination. In 2015, the exceptional result was linked to a Coface advance of 532 K€, which had become "acquired".

Research and development efforts resulted in a research tax credit of 271 K€.

Net income is a loss of 1,651 K€.

▪ Balance Sheet

IntegraGen has a solid balance sheet position with no financial debt. At the end of 2016, total repayable advances recorded in the balance sheet amounted to 1.5 M€ and essentially consisted of BPI "Biomos" assistance.

Net cash and cash equivalents at the end of 2016 amounted to 2.7 M€, compared with 5.0 M€ at the end of 2015.

Cash operating expenses, excluding capital increases and excluding repayable advances, amounted to 2 M€, up 0.9 M€ from 2015, mainly due to changes in working capital, and in particular, of trade receivables. At December 31, 2016, these amounted to 2.1 M€, compared to 1.4 M€ at the end of 2015, with a high level of invoicing during the month of December.

In February 2017, the Company completed a capital increase of 3.7 M€ in connection with a private placement.

ACTIVITY IN 2016

▪ Genomic Services

The sales for the genomic services business amounted to 6,022 K€, an increase of 8%.

In the clinical segment, which now accounts for nearly 30% of the revenues of the Business Unit, sales increased by 27%. This development stems from the increase in services provided for clinical research at the Villejuif site as well as benefits at the Institut Pasteur, the latter being launched at the end of March 2015.

In the research segment (70% of revenues), the increase in turnover was 2%, from 4,149 K€ to 4,261 K€. High-speed sequencing services increased by 6%, GECO services, which were launched in the second half of 2015, increased by 60%, while turnover from genotyping services continued to slow down.

In addition, IntegraGen's IT team continued their efforts to develop ICE (Interpretation of Clinical Exome) software which is designed to assist with interpreting genomic sequencing data in clinical oncology. The aim is to optimize the treatment of affected patients by directing them to the most appropriate treatments. This project is carried out with three partners: SOGETI HIGH TECH, Gustave Roussy and INSERM. The beta test of the software was launched in early 2017 with clinicians in Europe and the United States.

Finally, in June 2016, the Assistance publique - Hôpitaux de Paris (AP-HP) and IntegraGen announced the signature of a framework agreement on research partnership for the development of very high-speed sequencing applications. Under the terms of this framework agreement, AP-HP and IntegraGen will pool their resources to co-develop a very high-speed sequencing platform for research and clinical research activities.

▪ Oncology Diagnostics

IntegraGen continued to develop its oncology diagnostic test in the field of colorectal cancer (metastatic colorectal cancer) in 2016. The company presented the latest clinical results from the results of patients included in the FIRE-3 clinical trial in 2016. This third study examined the association between expression of the microRNA 31-3p biomarker and the effects of anti-EGFR therapy in patients with metastatic colorectal cancer. The results presented in May 2016 at the ASCO in Chicago supplement and reinforce the data previously published since 2014 which demonstrated that the expression of miR-31-3p in the primary tumor is predictive of the effectiveness of the anti-EGFR: patients whose expression of miR-31-3p is below a pre-defined threshold and who are treated with FOLFIRI plus cetuximab have a median overall survival of one year, a 40% reduction in risk of death, and better response to treatment compared with patients treated with FOLFIRI plus bevacizumab.

The objective is to bring to the market in the short term a diagnostic test resulting from this research. In 2016 the Company launched an industrial project to produce a predictive diagnostic kit for the response to anti-EGFR treatments for patients with metastatic colorectal cancer. The "miRpredX" kit should be available on the European market as of the second half of 2017.

Finally, in March 2017, IntegraGen announced a licensing agreement with Laboratoire CERBA to bring to the market a first test available to healthcare centers.

2017 PERSPECTIVES

The services carried out on behalf of the laboratories will continue to grow, led, in particular, by the deployment of agreements signed in 2016, notably with AP-HP. The increase in order intake in 2016 is also expected to support activity in 2017.

As for the ICE software, the beta version was launched in March 2017. After taking into account the returns of the beta testers, a finalized version of the software should be available by the end of 2017.

In colorectal cancer, IntegraGen will finalize the industrial development of a diagnostic kit for the European market, enabling clinicians to identify patients eligible for anti-EGFR treatment. At the same time, the Company is continuing its efforts to conclude licensing agreements with biological laboratories in Europe and the United States. A first agreement with Laboratoire Cerba was thus concluded in March 2017.

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, 2016, IntegraGen had 38 employees and had generated revenue of €6.0 million in 2016. Based in Evry Genopole, IntegraGen also has an U.S. office in Cambridge, Massachusetts. IntegraGen is listed on Alternext of Euronext Paris (ISIN: FR0010908723 - Ticker: ALINT - PEA-SME).

For more information, visit www.integragen.com



CONTACTS

INTEGRAGEN

Bernard COURTIEU
President and CEO

Laurence RIOT LAMOTTE
Chief Financial Officer
contact@integragen.com
Tel: +33 (0)1 60 91 09 00

NEWCAP.

Investor and Media Relations

Louis-Victor DELOUVRIER / Emmanuel HUYNH
integragen@newcap.fr
Tel. : +33 (0)1 44 71 98 53

FINANCIAL STATEMENTS AS OF DECEMBER 31, 2016

P & L – INTEGRAGEN SA

<i>in K€</i>	2016	2015	Var. %
Revenues	6 022	5 584	+8%
Operating subsidies and other revenue	323	269	<i>ns</i>
Total Revenue	6 345	5 853	+8%
Operating costs	(8 146)	(8 170)	+0%
Operating profit	(1 801)	(2 317)	+22%
Financial Profit/Loss	41	(91)	<i>n/a</i>
Current Result	(1 759)	(2 408)	
Exceptional Profit/Loss	(162)	549	<i>n/a</i>
Taxes (CIR)	271	326	(17%)
Net result	(1 651)	(1 533)	(4%)

BALANCE SHEET – INTEGRAGEN SA

<i>in K€</i>	31/12/2016	31/12/2015	Var. %
Long-Term Assets	1 502	1 271	+18%
Stocks	378	268	+41%
Accounts Receivable	2 140	1 393	+54%
Other Receivable	821	665	+23%
Cash	2 727	5 018	(46%)
Current Assets	6 065	7 345	(17%)
Translation difference	22	4	<i>ns</i>
TOTAL ASSETS	7 590	8 620	(12%)

<i>in K€</i>	31/12/2016	31/12/2015	Var. %
Shareholders' Equity	1 282	2 933	(56%)
Conditioned advance payment	1 492	1 592	(6%)
Reserve	36	4	<i>ns</i>
Notes payable to banks	0	0	<i>n/a</i>
Accounts Payable	3 023	2 469	+22%
Other short term debts	1 088	1 040	+5%
Translation difference	667	582	+15%
TOTAL LIABILITIES	7 590	8 620	(12%)