PRESS RELEASE

ExonHit Therapeutics – First half 2009 results

First half 2009 key highlights

- Last patient out for EHT 0202 Phase IIa study in Alzheimer
- License agreement for EHT Dx14, a novel breast cancer diagnostic assay
- Completion of Phase I safety studies for EHT/AGN 0001
- Expansion of neurological research activities to epilepsy
- Strengthening of shareholders' equity

Outlook for remainder of 2009

- EHT 0202 top-line Phase IIa results to be disclosed on September 14, 2009
- First product launch with EHT Dx21 expected in Q4 2009

Key figures

	June 30, 2009 (million EUR)	June 30, 2008 (million EUR)
Total revenues	**2.5**	2.1
R&D expenses	**5.4**	4.7
Operating result	**(5.7)**	(5.5)
Net result	**(4.5)**	(4.3)
Cash burn from operations	**3.4***	5.4
Consolidated cash & cash equivalents at June 30	**17.6**	25.5

**including research tax credit*

Paris, France – July 30, 2009 – ExonHit Therapeutics (Alternext: ALEHT) today announced its achievements for the six months ended June 30, 2009.

Commenting on the results in the first half of 2009, Dr. Loïc Maurel, President of the Management Board of ExonHit Therapeutics said: *"Thanks to our investment efforts in clinical development, our lead projects in Alzheimer progressed well. Specifically EHT 0202 completed its Phase IIa study and the clinical validation of EHT Dx21, our blood-based test for Alzheimer, is ending." He added: "We look toward the future with excitement as we expect to launch our first product by the end of the year."*

End of April, the Supervisory Board renewed for a three year term the mandate of its president, Dr. Loïc Maurel, and of its two other members: John Jaskowiak, Executive Vice President, Molecular Diagnostics and Matthew Pando, Ph.D., Executive Vice President, Therapeutics.

An executive search was initiated following the departure of the Chief Financial Officer. Until a successor has been appointed, Loïc Maurel is heading the Company's financial activities with the support of Patrick Langlois, Vice-president of ExonHit's Supervisory Board for 4 years, General Partner of PJL Conseils and former Chief Financial Officer of Aventis.

Overview of ExonHit's business activities

ExonHit Therapeutics intends to remain active in both diagnostics and therapeutics. These two fields have distinct risks and returns on investment, and provide opportunities for synergistic value creation.

To strengthen its diagnostic portfolio, the Company is evaluating the acquisition of potential strategic assets to develop molecular based diagnostics with a focus in Neurodegeneration and Oncology.

In Therapeutics, ExonHit is pursuing additional research collaborations to further leverage its discovery capabilities and expand its portfolio. For its internal programs, the strategy of the Company is to bring drug candidates through proof-of-concept studies, and then partner the programs to accelerate product development.

ExonHit's internal service laboratory in the US is now compliant with Good Laboratory Practices (GLP). GLP compliance for the Paris service laboratory should be granted in the coming months.

The second half of 2009 will be a turning point for ExonHit. Assuming successful clinical validation of EHT Dx21, its blood diagnostic test for Alzheimer's disease, the Company expects to put its first product on the market. Furthermore, assuming positive Phase IIa results for EHT 0202 in Alzheimer, the Company will engage in out-licensing activities aimed at securing a partnership by mid 2010.

Excluding the above mentioned acquisition, ExonHit intends to start generating revenues from commercialization in 2011 by becoming an innovative player in Diagnostics.

First half 2009 consolidated financial results

ExonHit has hired Natixis Securities to implement a liquidity agreement mid May. The first results show a decrease of the volatility.

- **Income Statement**

Consolidated revenues for first half 2009 amounted to € 2.5 million, an increase of 17% compared to the € 2.1 million achieved in first half 2008. This increase mainly comes from the new amendment with Allergan signed end of December 2008.

Research and Development expenses for first half 2009 have increased by 14% to € 5.4 million in 2009 compared to € 4.7 million in 2008, mainly as a result of increased expenses in clinical trials in both our therapeutics and diagnostics activities.

Marketing and Sales expenses amounted to € 0.6 million, an increase of 15% as compared to € 0.55 million in 2008. This rise is driven by increased marketing effort in the diagnostic field.

General and Administrative costs decreased by 5% to € 2.2 million for first half 2009, compared to € 2.3 million for the same period in 2008.

The group's operating expenses increased by 8% to € 8.2 million in first half 2009 compared to € 7.6 million in 2008. In first half 2009, 66% of these expenses were allocated to R&D compared to 62% for the same period in 2008.

Consequently, the company posted an operating loss of € 5.7 million for first half 2009, compared to € 5.5 million for the year ago period.

Interest expenses have decreased by 44% to € 0.2 million in 2009 compared to € 0.3 million in 2008. This decrease is primarily due to the decline of the rates and to the evolution of our cash position.

The estimated research tax credit amounted to € 1.1 million for the first half 2009, compared to € 1.2 million in 2008.

As a consequence, ExonHit recorded a consolidated net loss of € 4.5 million in first half 2009, compared to € 4.3 million for first half 2008.

- **Balance sheet**

As of June 30, 2009, the cash position of the Company amounted to € 17.6 million, compared to € 21.0 million at the end of 2008 and € 25.5 million on June 30, 2008. Our cash is only invested in high quality funds which liquidity is reasonably guaranteed.

As a result of two capital increases that took place during first half 2009 (exercise of more than half of the convertible bonds and partial exercise of warrants 08/09) as well as issuance of free shares granted in 2009, the total shareholder's equity increased to € 79.0 million on June 30, 2009 against € 70.7 million on December 31, 2008.

- **Cash flow statements**

During first half 2009, ExonHit's net use of cash due to operating activities was € 3.4 million compared to € 5.4 million used during first half 2008 and € 9.6 million for the year 2008. This difference is mainly due to the accelerated refund of the research tax credit from 2006 to 2008 (€ 2.4 million of variation).

ExonHit Therapeutics raised gross proceeds of € 1,450,344 through the partial exercise of the warrants 08/09 leading to the issue of 414,384 ordinary new shares.

Product Update

- **Diagnostics**

EHT Dx21, our internally developed blood-based diagnostic test for Alzheimer's disease (AD), is ending clinical validation according to plan with the largest number of samples (>550) for an array based AD blood diagnostic test. A poster with preliminary data was presented at the International Conference on AD that took place from July 11 to July 16 in Vienna, Austria (1). ExonHit is on track to launch EHT Dx21 as a Research Use Only (RUO) product in the clinical trial market in Q4 2009, and in the clinical diagnostic market in a second step through a partnering model. The availability of such a test could dramatically change diagnostic standards for AD using a simple blood sample to diagnose AD.

EHT Dx14, a novel breast cancer diagnostic assay with an accuracy of over 95% and developed using ExonHit's SpliceArray™ platform, was licensed from Institut Gustave Roussy. This molecular signature may be used for all cases where fine-needle aspiration (FNA) sampling is performed and is especially useful for "gray zone" cases where FNA results are inconclusive and currently either a core biopsy/surgical biopsy or an exploratory surgery is required to get a definitive answer. To confirm the validity of this signature, ExonHit will conduct an evaluation study in about 100 additional patients. Assuming successful clinical validation, ExonHit expects to launch the test as a RUO product within 12 months.

An update is planned in September 2009 as part of the collaboration with **bioMérieux** to develop blood-based cancer detection biomarkers using ExonHit's next generation of human genome-wide SpliceArray™ biochips for biomarker discovery.

- **Therapeutics**

EHT 0202, ExonHit's lead candidate in Alzheimer's disease and potentially first in a new class of disease modifying therapies thanks to a novel mechanism of action, completed patient dosing for its Phase IIa testing. The study is designed to assess safety and tolerability, as primary endpoints, and also exploratory efficacy of EHT 0202 in patients with Alzheimer's disease. Statistical analysis is in process and top-line results from the Phase IIa study will be presented at the 13th Congress of the European Federation of Neurological Societies on September 14, 2009 in Florence, Italy.

ExonHit decided to expand its therapeutic research activities in neurological disorders to include epilepsy based on promising results obtained after testing EHT 0202 in a series of in vivo epilepsy models. A lead new chemical entity has been selected for the **EHT 207 program** that displays therapeutic potential comparable to that seen for EHT 0202 in a chemically induced in vivo model of epilepsy. Lead optimization and additional in vivo proof-of-concept activities are ongoing with the previously stated goal of advancing a lead candidate to preclinical development by 2011.

EHT/AGN 0001, the lead compound from the most advanced program in the Allergan collaboration successfully completed Phase I safety studies. Several Phase I studies were conducted both in the US and in Europe. Safety and tolerability of EHT/AGN 0001 were demonstrated in healthy volunteers. Clinical pharmacology studies in human volunteers initiated on the basis of promising preclinical data continue to progress.

EHT/AGN 0002 and other compounds are in preclinical testing.

A conference call will be held by ExonHit's management today, Thursday, July 30, 2009 at 9:30 am CET. For practical details, please refer to ExonHit's website.

2010 Financial Calendar

2009 Annual Results: March 2010

About ExonHit Therapeutics

ExonHit Therapeutics (Alternext: ALEHT) is a fast emerging healthcare player active in both therapeutics and diagnostics. The Company is applying its proprietary technology, based on the analysis of alternative RNA splicing, to develop innovative blood based diagnostic tests and therapeutics for neurodegenerative and cancer indications. ExonHit has a balanced investment strategy with internal development programs and strategic collaborations, in particular with bioMérieux and Allergan.

ExonHit is headquartered in Paris, France and has U.S. offices in Gaithersburg, Maryland. The Company is listed on Alternext of NYSE Euronext Paris. For more information, please visit http://www.exonhit.com.

Disclaimer

This press release contains elements that are not historical facts including, without limitation, certain statements on future expectations and other forward-looking statements. Such statements are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those anticipated.

In addition, ExonHit Therapeutics, its shareholders, and its affiliates, directors, officers, advisors and employees have not verified the accuracy of, and make no representations or warranties in relation to, statistical data or predictions contained in this press release that were taken or derived from third party sources or industry publications, and such statistical data and predictions are used in this press release for information purposes only.

Finally, this press release may be drafted in the French and English languages. In an event of differences between the texts, the French language version shall prevail.

References

(1) Fehlbaum-Beurdeley P, Zhou W, Jarrige A-C, Calciano, M, Gill P, Sol O, dallares D, Jordan, H, Carriere, Luong V, Wu D, Lei L, Einstein R. Molecular signatures based on gene expression from blood for the detection and diagnosis of Alzheimer's disease. Poster presented at the International Conference on Alzheimer's Disease (ICAD), July 11-16, 2009, Vienna, Austria

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EXONHIT THERAPEUTICS S.A.

CONSOLIDATED INCOME STATEMENT

(in thousands of euros, except per share data)

**unaudited*	6 months June 30, 2009*	6 months June 30, 2008	12 months December 31, 2008
Research and Development revenues	2 491	2 137	4 211
Research and Development grants	-	9	9
Total revenues	**2 491**	**2 145**	**4 219**
Research and Development expenses	(5 407)	(4 742)	(9 878)
Marketing and Selling expenses	(635)	(553)	(1 144)
General and Administrative expenses	(2 190)	(2 307)	(4 592)
Total operating expenses	**(8 232)**	**(7 602)**	**(15 614)**
Loss from operations	**(5 741)**	**(5 457)**	**(11 394)**
Interest expense	(161)	(286)	(525)
Interest income	323	534	888
Exchange gain (loss) (net)	(26)	(320)	16
Loss before tax	(5 604)	(5 529)	(11 015)
Tax benefit	1 126	1 187	2 089
Net income (loss)	**(4 478)**	**(4 342)**	**(8 925)**
Weighted average number of shares outstanding	27 621 848	26 704 164	26 780 441
Net loss per share	(0.16)	(0.16)	(0.33)
Net loss per share (diluted)	(0.16)	(0.16)	(0.33)

EXONHIT THERAPEUTICS S.A.

CONSOLIDATED BALANCE SHEET

(in thousands of euros)

**unaudited*

ASSETS	**June 30, 2009***	**December 31, 2008**
Intangible assets, net	228	556
Property and equipment, net	2 072	2 220
Other long term assets	421	269
Total long-term assets	**2 721**	**3 046**
Accounts and grants receivable	1 026	1 057
Other short term assets	3 924	4 696
Cash and cash equivalents	17 643	21 049
Total short-term assets	**22 594**	**26 802**
TOTAL ASSETS	**25 315**	**29 847**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Share capital	454	430
Additional paid-in capital	79 031	70 650
Accumulated deficit	(66 830)	(62 351)
Other	912	1 011
Shareholders' equity	**13 567**	**9 739**
Convertible bonds	**6 522**	**13 522**
Provisions for risks	224	443
Long-term debt less current portion	146	210
Long-term portion of deferred income	181	243
Total long-term liabilities	**327**	**453**
Current portion of long-term debt	1 075	920
Current portion of capital lease obligations	126	124
Accounts payable	1 231	2 070
Accrued liabilities	1 208	1 425
Deferred income short-term	1 034	1 150
Total short-term liabilities	**4 674**	**5 689**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**25 315**	**29 847**

EXONHIT THERAPEUTICS S.A.

CONSOLIDATED CASH FLOW STATEMENT

(in thousands of euros)

**unaudited*	6 months ending June 30, 2009*	Year ending Dec 31, 2008
OPERATING ACTIVITIES		
Net loss	(4 478)	(8 925)
Depreciation and amortization of property & equipment	316	327
Depreciation of intangible assets	62	134
Retirement liability provision and other	(219)	286
Capitalized interests on convertible bonds	-	-
Gain (loss) on sales	-	-
Increase (decrease) in cash from:		
Inventory	(83)	(106)
Accounts receivable	31	97
Grants receivable	-	-
Research tax credit receivable	2 377	(1 711)
Prepaid expenses and other assets	(143)	(31)
Accounts payable and accrued expenses	(845)	959
Accrued compensation	(220)	(157)
Deferred income, short term	(116)	(375)
Deferred income, long term	(63)	(116)
Net cash used in operating activities	**(3 381)**	**(9 618)**
INVESTING ACTIVITIES		
Purchase of property and equipment	(356)	(1 177)
Payment of patent and acquisition of other intangibles	292	-
Net cash used in investing activities	**(64)**	**(1 177)**
FINANCING ACTIVITIES		
Issuance of shares (net of fees)	8 345	261
Capital increase receivable	(1 383)	-
Proceeds from loan	(6 907)	(42)
Net cash provided by (used in) financing activities	**55**	**219**
Net increase (decrease) in cash and cash equivalents	(3 390)	(10 576)
Effects of exchange rate on cash	(16)	284
Cash and cash equivalents, beginning of period	21 050	31 342
Cash and cash equivalents, end of period	**17 644**	**21 050**