



Press Release

**The biofuels and green chemistry specialist DEINOVE launches its
initial public offering on the Alternext market of NYSE Euronext**

Paris

Guide price range: between € 7.50 and € 9.16 per share

Offer closes on April the 20th, 2010

Paris, April 7, 2010

[Deinove](#), the world's leading specialist in the application of deinococci bacteria to biofuels and green chemistry, **today announced that on April 6 2010, the *Autorité des marchés financiers* (AMF, the French stock market regulator) had approved the company's prospectus (reference number 10-083) relating to its planned initial public offering on the Alternext market of NYSE Euronext Paris.** Deinove is seeking to raise around €12 million in fresh equity (excluding the potential exercise of the extension and over-allotment options).

Deinove designs and develops breakthrough technologies by leveraging the exceptional natural biodiversity and robustness of *Deinococcus* bacteria (which appeared on Earth over 3 billion years ago) to elaborate innovative industrial processes, including the production of bioethanol from all types of biomass and biomass waste.

"The IPO will accelerate the industrial deployment of our Deinol bioethanol programme with Tereos and the development of our Deinochem (green chemistry) and Deinobiotics (antibiotics) projects. Moreover, stock market listing will raise our international profile with potential industrial partners", emphasized Deinove CEO Jacques Biton.

How Deinove began

Deinove was incorporated under the joint impetus of Philippe Pouletty, MD (Managing Partner of the Paris-based private equity firm Truffle Capital) and Professor Miroslav Radman (one of the fathers of molecular biology and a member of the French Academy of Science). The company is based on cutting-edge technologies developed by several world-renowned academic laboratories. Deinove's founding investor Truffle Capital has re-endorsed the company and its management team by investing €2 million in the IPO.

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A competitive advantage based on an innovative approach

At present, the industrial conversion of biomass and the production of bioethanol are based on old, costly processes with a number of serious limitations, making them poorly applicable to non-food biomass. Breakthrough technologies are required for the coming "post-oil era". Deinove is breaking away from the conventional yeast-based paradigm for ethanol production by leveraging the exceptional qualities of the deinococci - naturally high-performance bacteria which have never been exploited industrially and are highly suited to the use of non-food biomass.

In 2006, Professor Miroslav Radman discovered the molecular mechanisms which enable the *Deinococcus* bacterium to "come back to life" after its genome has been damaged. Deinove has also characterized the extensive biodiversity of the deinococci (acquired over billions of years of evolution) and their exceptional natural, functional properties (such as the ability to extract carbon from biomass and metabolize it into ethanol, for example). Thanks to Deinove's expertise, the company has selected exceptional *Deinococcus* strains from the environment and optimized them for industrial fermentation. These deinococci are true "cell factories" which are set to contribute to major technological breakthroughs in the non-petrochemical, industrial production of biofuels and other high added-value industrial compounds.

Deinove has developed a unique international positioning and owns a strategic portfolio of industrial property and innovative technology platforms. Its collaboration with [Tereos](#) (one of the world's leading players in sugars, starches and alcohols) has received €8.9 million in financial support from the French state innovation agency Oséo.

Breakthrough technologies in several fields, with large, strongly growing target markets.

Deinove is targeting major, strongly growing global markets which are seeking innovative solutions: (i) in the biofuels market,¹ Deinove's lead project focuses on optimizing the production of biofuels from any type of biomass; (ii) Deinove's second-ranked priority is green chemistry, with the bio-based production of building block chemicals² as substitutes for petrochemical processes; (iii) lastly, in healthcare, the company is working to produce new antibiotics to address the increasingly serious issue of resistant microbial pathogens.

A high-priority application: biofuels, with endorsement of Deinove's initial industrial-scale development by a global market leader.

Deinove's prime development axis is the development of environmentally friendly, cost-effective processes for the industrial production of biofuels via biomass digestion and fermentation by deinococci bacteria - a true technological breakthrough, compared with conventional methods. The bioethanol development programme is being run in collaboration with Tereos, the French-based number two in the European sugar beet market and a global player in bioethanol.

This high-priority axis is the focus of the Deinol project, the goal of which is to open up (by 2014) new pathways for both improved production of ethanol from feed grain and access to "second-generation" production from lignocellulosic feedstocks (e.g. biomass by-products and wood industry waste) in existing industrial installations and without the need for additional investment. The Deinove-led project consortium includes Tereos and its BENP Lillebonne and Syral subsidiaries (Europe's second-ranked sugar refiner and an international leader in bioethanol production) and two expert academic labs, the CPBS in Montpellier (CNRS/University of Montpellier 1) and the LISBP in Toulouse (INSA/CNRS/INRA). The Deinol project recently received €8.9 million in financial support

¹ The global market was worth \$38 billion in 2009 and is growing by 10% a year (source: the Renewable Fuels Association)

² Several reports have emphasized that by 2015, 15% of all chemicals sold (€305 billion in value) will have been produced using a biotechnological process.

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(including €6 million for Deinove) from Oséo's Strategic Industrial Innovation programme. This constitutes the largest ever grant to a French SME in the biofuels sector.

Listing on Alternext will accelerate an ambitious strategy.

Deinove aims at meeting tomorrow's industrial challenges by leveraging its bacteria, technologies and proprietary processes worldwide via licensing agreements and alliances with industrial players in major, strongly-growing markets (primarily biofuels but also green chemistry and antibiotics). The listing on Alternext will help the company achieve its upcoming development milestones - notably validation of *Deinococcus*' performance in a first industrial pilot with Tereos (as part of the Deinol project) and the expansion, screening and protection of its proprietary bacterial strain library.

About Deinove

The greentech company Deinove is dedicated to the development and commercial exploitation of innovative technological processes for the production of biofuels and other compounds of industrial or pharmaceutical interest by exploiting the deinococci's exceptional natural properties. Deinove intends to leverage its proprietary bacterial strains, technologies and processes by outlicensing to industrial partners.

The Paris-based company currently has 15 staff and operates several collaborative programmes with the CNRS, the University of Paris V and INSA Toulouse. It was incorporated in late 2006 under the joint impetus of Philippe Pouletty MD (Managing Partner at the private equity firm Truffle Capital) and Miroslav Radman PhD (Professor of Cell Biology at Paris-Descartes University, a member of the French Academy of Science and winner of the 2003 INSERM Medical Research Prize). Professor Radman elucidated the genetic mechanism behind the extraordinary natural properties of the bacterium *Deinococcus* (biodiversity and robustness) on which Deinove's innovative strategy is based. The company also operates a lab at Cap Alpha Technology Park in Montpellier, southern France.

For further information, visit the Deinove web site at www.deinove.com.

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Terms and conditions of the Offering

Number of shares covered by the Public Offering and the Global Offering:

The initial offering: a maximum of 1 440 576 shares through an increase in the shareholders' equity, i.e. 30% of the post-IPO equity and an overall amount of €12 million.

Extension clause:

The number of new shares may be increased by up to 216 086 additional shares, i.e. 15% of the initial offering.

The overallotment option:

The number of new shares may be increased by up to 248 499 additional shares, i.e. 15% of the initial offering (including total exercise of the extension clause).

If the extension clause and the overallotment option are fully exercised, the amount raised from the IPO will amount to €15.8 million and the float will stand at 36% of the total shareholders' equity.

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Structure of the Offering:

If there is sufficient demand, the final number of shares allocated in response to orders placed under the terms of the Open-Price Offering shall amount to at least 10% of the total number of shares on offer, after taking the extension clause into account and in compliance with article 321-115 of the AMF's General Regulations.

Lock-up arrangement:

All of the company's shareholders have irrevocably agreed to retain the shares they hold (or may come to hold by exercising any share warrants they hold) and, as a result, will not offer for sale, cede, pledge or otherwise transfer in any way:

- (i) all of their shares for a 6-month period starting on the date of first listing on the Alternext market of NYSE-Euronext Paris.
- (ii) 70% of the said shares for a 6-month period starting at the end of the above-defined period.

The equity increase is not covered by an underwriting contract.

ISIN code: FR0010879056

Ticker code: ALDEI

INDICATIVE TIMELINE FOR THE IPO:

7 April 2010	Opening of the Public Offering and the Global Offering.
20 April 2010	Closing of the Public Offering and the Global Offering (5pm Paris time).
21 April 2010	The offer price is set. Shares are admitted to the market. NYSE Euronext Paris issues a statement on the outcome of the Public Offering. Publication of a corporate press release specifying the conditions of the Offering and the outcome of the open-price offering.
26 April 2010	Settlement and delivery of the shares.
27 April 2010	Trading starts on Alternext of NYSE Euronext Paris.
20 May 2010	Deadline for exercise of the overallotment option. End of the stabilization period.

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Partners

The introducing financial establishments are:

- **INVEST SECURITIES**, listing sponsor and associate bookrunner.
- **DEXIA SECURITIES**, bookrunner.

The communication agencies are:

- **ACTUS FINANCE**, financial communication
- **ALIZE RP**, corporate communication and press relations

Copies of the AMF-approved prospectus (reference # 10-083, dated April 6, 2010) can be obtained free of charge from Deinove (4 rue Tesson, F-75010 Paris, France) and financial institutions authorized to receive subscriptions. The prospectus can also be viewed on the Deinove web site (www.deinove.com) and the AMF web site (www.amf-france.org).

Risk is inherent in all equity investments. Investors are to consult the "risk factors" section related to the activity described in Chapter 4 of the *document de base* registered on March 25th, 2010 under number I.10-014 and the transaction described in Chapter 2 of la *note d'opération* approved with the "Autorité des Marchés Financiers" (AMF) on April 6, 2010, under number 10-083.

Contacts

DEINOVE

CEO

Jacques Biton

Tel.: +33 142 032790

jacques.biton@deinove.com

INVEST SECURITIES

Listing sponsor

Jean-Emmanuel Vernay

Tel.: +33 144 887788

jevernay@invest-securities.com

DEXIA SECURITIES

Bookrunner

Jean-Michel Cabriot

Tel.: +33 1.56.28.52.68

jean-michel.cabriot@dexia-securities.fr

ALIZE RP

Press relations

Caroline Carmagnol

Tel.: +33 142 688643 / +33 664 189959

caroline@alizerp.com

ACTUS

Financial communication

Corinne Puissant

Tel.: +33 1 53673657 / +33 672 931378

cpuissant@actus.com