

PRESS RELEASE

Collectis publishes 2010 financial results

- **Increase of revenue in line with expectations: +55% at €15.8M**
- **Development activities stepped up in 2011**

Paris, March 31, 2011 – Collectis (Alternext: ALCLS), the genome engineering specialist, has announced its consolidated financial results for the financial year ended December 31, 2010.

Main financial items:

- **Total operating revenues increased by 55% between 2009 and 2010, from €10.1M to €15.8M.** Growth was mainly driven by the increase in the Crédit d'Impôt Recherche, as a result of several major contracts (Boehringer Ingelheim, Bayer Healthcare and BASF Plant Science) and also by the consolidation of existing partnerships.
- **The development of subsidiaries and acquisition of complementary technologies led to an increase in operating expenses, totaling €27.2M, up 37% from 2009.**
- **The net loss reached €8M,** slightly lower than the loss published for 2009, on a comparable basis.
- **The cash position came to €24M at the end of 2010. Its evolution vs. 2009 was, for a third, due to temporary or non-recurring reasons:** i/ the temporary augmentation of working capital requirement (Crédit d'Impôt Recherche increased by €5M), and ii/ the acquisition of CytoPulse Inc.'s patents for €1.5M.

Commenting on these results, Marc Le Bozec, Collectis Chief Financial Officer, explained that *“2010 was a year marked by the expansion of our technology and the development of our organization to support our research and marketing efforts. We significantly increased the sales effort of Collectis bioresearch, formally structured our activities in the area of agrobiotechnology, and secured access to technologies that will help us to shorten the timeframe for bringing products into the market in the coming months.”*

Key figures (based on IFRS – International Financial Reporting Standards):

- The company has decided to present, from now on, complete consolidated results according to IFRS, with more detail than the non-audited consolidated financial elements presented until today.
- The results shown below have been prepared by the management according to IFRS applied to 2008, 2009 and 2010. Auditors' review is in progress.

<i>Amounts in thousands of Euros</i>	December 31, 2010	December 31, 2009
Total Operating Revenues	15,775	10,140
Total Operating Expenses	(27,240)	(19,943)
Current Operating Income	(11,465)	(9,803)
NET INCOME	(8,063)	(7,768)
NET CLOSING CASH BALANCE	24,048	45,080

2010 highlights:

- **Major increase in the production capacity for new meganucleases:** 271 highly specific new meganucleases for selected genomic targets, vs. 96 produced in 2009 (+282%). While constantly improving its engineering processes, Collectis also considerably increased the quality and standard activity of its engineered products.
- **Strong sales development for Collectis bioresearch**, which specializes in the development and commercialization of research and production tools and services. Over 160 new products were brought to market during the year, as well as a custom service offer. This progress was accompanied by increased sales efforts towards life sciences professionals: i/ development of the global distribution network through distribution and representation agreements with market leaders in India and Canada; ii/ gradual establishment of a sales team in the US. The signing of a major sales development agreement with Lonza in the field of biomanufacturing comes as a proof of the success of these efforts.
- **Founding of Collectis plant sciences, a subsidiary dedicated to agrobiotechnology:** based in Minnesota, USA, this subsidiary focuses on the application of genome engineering in plants and will help speed up the use of Collectis technology in agrobiotechnology. Professor Dan Voytas, a recognized expert in the field of plant genomics, was appointed scientific director of the subsidiary. Additionally, a cooperation agreement was signed with the French National Institute for Agricultural Research (INRA) for the development of joint programs.
- **Securing of a strategic license in the stem cell field:** in October 2010, Collectis secured licenses for the use of induced pluripotent stem (iPS) cell technologies. Collectis is the first company to receive these licenses from iPS Academia Japan for therapeutic applications. Ectycell, a Collectis subsidiary dedicated to the industrial development of stem cells, will be able

to use these licenses to develop tools for drug development or cosmetics testing.

- **Acquisition of the assets of CytoPulse Inc**, a US company specializing in electroporation. This external growth offers Collectis access to a vectorization technology for therapeutic proteins, with applications in therapeutics, research, biomanufacturing and agriculture. The manufacturing and marketing of electroporation instruments for research use were quickly validated through the signing with Harvard Bioscience of an exclusive global licensing agreement, under which Collectis retained all rights for therapeutic applications.
- **Progress in therapeutic applications:** Collectis therapeutics¹ reported very encouraging results, particularly concerning proof of concept of the antiviral activity of meganucleases in the model of corneal infection by the Herpes HSV-1 virus. Researchers from Laval University Hospital Center, Canada, also demonstrated the therapeutic potential of meganucleases developed by Collectis in treating Duchenne muscular dystrophy, with positive *in vivo* results in animal models.

Prospects for 2011:

Several programs will be entering their operational phase in 2011, including:

- **For Collectis bioresearch, the launch of the first fee-for-service custom TALENs.** This new technology of “DNA scissors” provides access to genome engineering tools for a low production cost. This technology, which complements and enhances Collectis bioresearch’s portfolio of genome customization tools, has a very significant market potential.
- **For Collectis, the operational launch of StemRed**, a program for the production of red blood cells using induced pluripotent stem (iPS) cells. This program, to be developed and run over a 7-year period with the Etablissement Français du Sang (French Blood Agency), will initially improve the treatment available for patients with a rare blood group who regularly receive blood transfusions and raise complex transfusion issues.

“After focusing in 2010 on structuring our business for future growth, 2011 will see the operational launch of several programs and our technologies will enter the industrialization phase. Major initiatives are currently being rolled out, including the recent launch of our fee-for-service TALENs and the operational start-up of StemRed, a program for the production of red blood cells using stem cells,” concluded Collectis CEO André Choulaka.

###

¹ Founded in 2008 as Collectis genome surgery

About Collectis

Collectis improves life by applying its genome engineering expertise to a broad range of applications, including human therapeutics, biological research and agriculture. Collectis is listed on the NYSE-Euronext Alternext market (code: ALCLS) in Paris. More information at www.collectis.com.

Disclaimer

This press release and the information contained herein do not constitute an offer to sell or subscribe, or a solicitation of an offer to buy or subscribe, for shares in Collectis in any country. This press release contains forward-looking statements that relate to the Company's objectives based on the current expectations and assumptions of the Company's management only and involve risk and uncertainties that could cause the Company to fail to achieve the objectives expressed by the forward-looking statements above.

For further information, please contact:**Collectis**

Sylvie Delassus
Senior VP Corporate Communication
+ 33 (0)1 41 83 99 00
media@collectis.com