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Permanent Information

AB Science issues 10 M€ in convertible bonds, at the reference price of 15.00 euros per share

AB Science SA (NYSE Euronext - FR0010557264- AB), a pharmaceutical company specialised in research, development and commercialisation of protein kinase inhibitors (PKI), issued a bond loan agreement, convertible or repayable in ordinary shares, for the nominal amount of 10,000,500 euros in a private arrangement.

The bonds bear 1.25% interest to be paid annually. They also bear 4.75% accrued interest to be paid only in case of repayment of the loan in cash.

The bonds are convertible into shares at any time at the initiative of the bondholder at the price of 15,00 euros per share. The bonds may be repaid by anticipation in cash at the option of AB Science under certain conditions. They will be repayable in full on the seventh anniversary of the issue date at their nominal value.

Commenting on this announcement, Alain Moussy, Chief Executive Office of AB Science states that: *“The subscription of these convertible bonds at a higher price than the current stock price is testimony of the continued trust from the market on the Company’s perspectives and increases cash reserves to nearly 30 million euros, which corresponds to 3 years of financing on a like-for-like basis.”*

About AB Science

Founded in 2001, AB Science is a pharmaceutical company specialising in the research, development and commercialisation of novel targeted therapies for patients with cancer or other important diseases with unmet medical needs, including inflammatory diseases and central nervous system diseases.

AB Science has developed its own portfolio of protein kinase inhibitors (PKIs), a new class of targeted molecules, the action of which is to modify signalling pathways within cells. AB Science’s lead molecule, masitinib has already been registered in veterinary medicine in Europe and in the USA, and is being tested in nine phase 3 studies in human medicine, including eight on-going studies in pancreatic cancer, GIST, metastatic melanoma expressing JM mutation of c-Kit, multiple myeloma, mastocytosis, severe persistent asthma, rheumatoid arthritis and progressive multiple sclerosis. The company is headquartered in Paris and listed on Euronext Paris (ticker: AB).

Further information is available on AB Science’s website: www.ab-science.com

DISCLAIMER

This press release does not constitute an offer to sell or a solicitation of an offer to buy AB Science shares. If you wish to obtain more comprehensive information about AB Science, please refer to documents available on our website www.ab-science.com. This release may contain certain forward-looking statements. Although the Company believes that these statements are based upon reasonable assumptions at the date of publication of this document, they are inherently subject to risks and uncertainties which could cause actual results to differ from the present figures and those expressed or implied in these statements.

Main features of the bond loan

It is a bond loan which, where applicable, is convertible or repayable in ordinary shares of the Company, with a nominal amount of ten million five hundred (10,000,500) euros, divided in hundred (100) bonds with nominal value of one hundred thousand five (100,005) euros each.

Issue Price

The bonds are issued at par, that is for a unit subscription price equal to their nominal value, i.e. one hundred thousand five (100,005) euros each, representing a ten million five hundred (10,000,500) euro bond loan in total.

They are payable in full in cash at their subscription date, at the same time of the submission of the subscription form.

Annual interests

The bonds bear interest at the rate of 1.25% per annum, based on the nominal amount, payable annually on the anniversary of the issue date of the bonds.

Accrued interests

The bonds give right to 4.75% interest per annum, based on the nominal amount, which will not be payable annually on the anniversary of the date of issue but which will be accrued. Accrued interests will be due only in case of repayment of the bonds in cash.

Repayment on maturity

In the absence of a conversion or repayment in shares, the bonds be repaid in full on the seventh anniversary of the issue date, at their par value. This repayment will be made jointly with the payment of the annual accrued interests.

Early redemption

If, before December 31st 2014, the three-month moving average share price of the of the Company is greater or equal to twenty (20) euros, the Company will have the possibility to repay the bonds in cash by anticipation, as long as the bondholder had not requested the conversion of the bonds by means of a notification sent within the three business days after the end of the three-month reference period.

Case of conversion

The bonds are convertible into shares at any time at the initiative of the bondholder, effective on the last business day of the month during which the notification was made, unless the notification was

made less than four business days before that day, in which case the conversion will be effective on the last business day of the following month.

Case of automatic repayment

The bonds are automatically repaid in shares, if after December 31st 2014, the three-month moving average share price of the Company with a 1 euro cent nominal value is greater or equal to twenty (20) euros, effective on the first business day following the last day of the reference three-month period.

Conversion parity or repayment

During the conversion or the repayment of shares, each bond will be automatically converted or repaid, following the case, in a number "A" of ordinary shares of the Company with a nominal value of one (1) euro cent, paid-up by the offset of the bond debt and calculated as follows:

$$A = O / P$$

whereby:

- A: Rounded to nearest integer
- O: Nominal value of the bonds
- P: 15,00 euros

Capital increase

Conversion of the bonds will lead to the issue of a maximum of six hundred sixty-six thousand seven hundred (666,700) new ordinary shares with one (1) euro cent nominal value and fourteen euros ninety-nine cents (14.99) in additional capital. The new shares, issued following the conversion or repayment of the bonds, will be subject to all statutory provisions and assimilated to existing shares.

Seniority

The bond loan will have priority of repayment over any bank loans or bond issuances subscribed after the subscription date of the present loan. Repayable advances obtained as part of public aid to development, loans counter-guaranteed by Oséo and financing secured with receivables on the State, however, will have highest seniority, higher than the present bonds.