

## PRESS RELEASE

**Collectis: 2012 first-half earnings**

**Paris, September 20th, 2012 (7 am)** – Collectis (Alternext: ALCLS), the genome engineering specialist, is releasing its condensed consolidated accounts for the first half of 2012.

**Marc Le Bozec, Collectis' Chief Financial Officer, stated:** “The first half of 2012 has laid the foundations for Collectis' future growth. The progress made is illustrated by the strong development of our Products and Services activities, following the commercial success of the TALEN™ offer, as well as a significant increase in commercial opportunities. These developments are being accompanied by major technological advances, enabling us to accelerate the rollout of our therapeutics programs. In line with our development plans, these advances mean that we are able to maintain our target for 20 to 30% growth in operating income for the current year, excluding exceptional agreements”.

**Half-year highlights****• Organizational developments**

Collectis has launched an active policy to structure its organization following the acquisition of Cellartis, which has been consolidated since November 1st, 2011. This is reflected in a rationalization of internal procedures and resources aimed at improving projects. It is being accompanied by the development of resources to help drive growth (optimization of support functions and increase in marketing investments), opening up more commercial opportunities.

To support its development, Collectis has continued to further strengthen its development teams across all its activities. At June 30th, 2012, the Group had 230 staff, compared with 155 at June 30th, 2011.

**• Increasingly dynamic commercial development**

During the first half of 2012, Collectis confirmed the commercial success of TALEN™ offer, the first range of services making it possible to specifically modify a gene in all cell types. This is reflected in the clear acceleration in growth for TALEN™ sales over the last 12 months.

During the first six months of the year, several new licensing, research and development collaboration agreements were also signed with:

- Total, for the development of microalgae-based substitutes for oil products.
- Medicago, for improvements to therapeutic proteins expressed from tobacco leaves.
- SES VanderHave, for the development of marketable sugar beet varieties.
- Bayer CropScience, for the development of commercial products for the agricultural seeds market.

**• Major advances with the development of the therapeutics portfolio**

Collectis has stepped up the development of its therapeutics business. Major progress has been made, including a tenfold increase in the effectiveness of the DNA modification techniques, paving the way for new therapeutic approaches. Collectis is now focusing on a selection of high-potential programs, including cancer and diabetes (working with Novo Nordisk). The Collectis Group's therapeutics strategy will be presented in detail in January 2013.

**Financial results for the first half of 2012**

- **Operating income totaled €7.5 million for the first half of 2012, virtually stable in relation to last year.** These revenues, marked by the activity's traditional seasonal patterns, do not include high levels of income relating to licensing agreements, unlike the first half of 2011 (€3 million).
- **Operating expenses rose to €19.2 million,** up 9% compared with the first half of 2011, in line with the development plan. This increase factors in a ramping up of R&D (€10.2 million, versus €7.4 million one year earlier). Sales and administrative costs have been kept tightly under control, coming in at €8.2 million, compared with €8.9 million for the same period in 2011.
- **Income for the period came to -€11.5 million,** similar to the figure for the first half of 2011 (-€10.3 million). It includes €1.2 million in tax income linked to the capitalization of losses carried forward.
- **Cash represented €27.8 million at June 30th, 2012.** Cash consumption came to €14.6 million for the first half of 2012, compared with €3.6 million for the same period in 2011. This change primarily reflects a €6 million difference relating to the research tax credit (received during the first half of the year in 2011 and expected in the second half of 2012) and a differential of almost €5 million concerning certain technology suppliers paid during the first half of 2012.
- **At June 30th, 2012, shareholders' equity was €71.7 million, an increase of €42.9 million compared with December 31st, 2011.** This change primarily reflects the redemption of the reimbursable bonds subscribed for by the French sovereign fund (FSI) and Pierre Bastid at the end of 2011 for a total of €50 million into shares.

### **Outlook**

Collectis is moving forward with the industrialization of its technologies in order to develop its commercial offering for therapeutics and biopharmaceutical products and services, while adopting stringent cost control measures.

For 2012, Collectis is targeting 20 to 30% growth in its operating income compared with 2011 (excluding exceptional agreements). Like-for-like, Collectis expects to break even by 2014, owing to its effective management of current costs over the coming half-year periods.

### **Next dates:**

- Presentation of the therapeutics strategy in January 2013
- 2012 full-year earnings in April 2013

### **About Collectis**

Founded in France in 1999, the Collectis Group is based on a highly specific DNA engineering technology. Its application sectors are human health, agriculture and bio-energies. Co-founded by André Choulika, its Chief Executive Officer, Collectis is today one of the world leading companies in the field of genome engineering. The Group has a workforce of 230 employees working on 5 sites worldwide: Paris & Evry in France, Gothenburg in Sweden, St Paul (Minnesota) & Cambridge (Massachusetts) in the United States. Collectis achieved in 2011 €16M revenues and has signed more than 80 industrial agreements with pharmaceutical laboratories, agrochemical and biotechnology companies since its inception. AFM, Dupont, BASF, Bayer, Total, Limagrain, Novo Nordisk... are some of the Group's clients and partners.

Collectis has been listed on NYSE-Euronext Alternext market (code: ALCLS) in Paris since 2007.

For more information, visit [www.collectis.com](http://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.

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## APPENDIX

### Condensed statement of comprehensive income

(In 000' €)	30/06/2012	30/06/2011
Sales	3 068	4 690
Other revenues	4 415	2 830
<b>Total Revenues</b>	<b>7 484</b>	<b>7 521</b>
Cost of sales	(657)	(1 282)
<b>Gross Margin</b>	<b>6 827</b>	<b>6 238</b>
R&D cost	(10 184)	(7 394)
Sales, General & Administrative cost	(8 176)	(8 924)
Other operating income and expenses	(195)	(4)
<b>Operating Income</b>	<b>(11 729)</b>	<b>(10 083)</b>
Interest income	496	159
Interest expense	(1 378)	(90)
Other financial income (expense)	(147)	(291)
<b>Financial Income</b>	<b>(1 029)</b>	<b>(222)</b>
Income Tax	1 246	-
<b>Profit (loss) of the period</b>	<b>(11 512)</b>	<b>(10 305)</b>
Attributable to owners of the parent	(11 305)	(10 305)
Non-controlling interest	(206)	
Differences arising on translation of assets	407	68
<b>Comprehensive Income (Loss)</b>	<b>(11 104)</b>	<b>(10 237)</b>

### Condensed statement of financial position

ASSETS (in 000' €)	30/06/2012	31/12/2011
Intangible assets	36 544	35 202
Tangible assets	5 852	6 619
Financial assets	1 611	960
Differed tax assets	5 747	4 483
<b>Non Current Assets</b>	<b>49 753</b>	<b>47 265</b>
Inventories	664	626
Trade receivables	14 440	11 483
Cash & cash equivalent	27 836	42 384
<b>Current Assets</b>	<b>42 940</b>	<b>54 492</b>
<b>TOTAL ASSETS</b>	<b>92 694</b>	<b>101 757</b>
LIABILITIES (in 000' €)	30/06/2012	31/12/2011
Common stock and paid-in capital	131 985	80 397
Accumulated deficit	(51 457)	(27 996)
Net income	(11 306)	(23 838)
<b>Stockholders' Equity</b>	<b>69 222</b>	<b>28 564</b>
<b>Non-controlling interest</b>	<b>2 294</b>	-
<b>Total Equity</b>	<b>71 515</b>	<b>28 564</b>
Long term debt	3 084	52 088
Provision for retirement plans	356	239
Non current provisions	77	66
<b>Non Current Liabilities</b>	<b>3 517</b>	<b>52 393</b>
Short term debt	1 254	1 213
Trade payables	16 407	19 587
<b>Current Liabilities</b>	<b>17 661</b>	<b>20 800</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>92 694</b>	<b>101 757</b>

### **Condensed consolidated cash-flow statement**

(In 000' €)	30/06/2012	30/06/2011
<b>Net Income (loss) for the period</b>	<b>(11 512)</b>	<b>(10 305)</b>
Adjustments for non cash items	1 489	2 128
<b>(Increase) decrease in working capital</b>	<b>(6 175)</b>	<b>6 222</b>
Interest received / (paid)	500	(192)
<b>Net cash flows from operating activities</b>	<b>(15 699)</b>	<b>(2 147)</b>
Acquisition of development costs	(1 648)	(1 097)
Acquisition of other intangible assets	(18)	(11)
Acquisition of property, plant and equipment	(289)	(1 264)
Acquisition of other non current assets	(651)	(265)
<b>Net cash used in investing activities</b>	<b>(2 605)</b>	<b>(2 637)</b>
Share capital	2 704	436
Borrowings	763	412
Proceeds from lease-back operations	563	379
Sale and purchase of treasury shares	(186)	(3)
<b>Net cash from (used in) financing activities</b>	<b>3 844</b>	<b>1 225</b>
Effect of exchange rate changes on cash	(88)	-
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(14 548)</b>	<b>(3 560)</b>
Cash and cash equivalents at beginning of the period	42 384	24 048
Cash and cash equivalents at end of the period	27 836	20 488