



PRESS RELEASE

2012 annual results in line with the Company's expectations

- Cash position at December 31, 2012: €11.1m
- An additional €1m is expected in 2013, including:
 - Approximately €5m in Research Tax Credit expected in July 2013
 - €6.7m in subsidies and repayable advances once the Company is granted ANSM¹ approval to carry out clinical trials
- Adequate resources to finance activity through to 2014

Paris, March 4, 2013

CARMAT (FR0010907956, ALCAR), the designer and developer of the world's most advanced total artificial heart project, providing an alternative for people suffering from terminal heart failure, today announces its annual results for the financial year to December 31, 2012.

• 2012 annual results*

In euros	31/12/2012	31/12/2011
Operating income		
- operating subsidies	10,500	6,051,177
- other operating income (reversal of provisions)	7,489	50,576
Total operating income	17,989	6,101,753
Operating expenses		
- other purchases and external expenses	16,467,584	16,276,476
- other operating expenses	5,935,918	5,916,331
Total operating expenses	22,403,502	22,192,807
Operating profit/loss	- 22,385,513	-16,091,054
Financial profit/loss	110,099	97,271
Exceptional items	70,290	37,234
Research Tax Credit	5,015,433	2,515,527
Net profit/loss	- 17,189,691	-13,441,022

* Annual accounts were approved by the Board on February 28, 2013. Audit procedures relative to these accounts have been carried out. The auditor's report is currently being prepared.

The Company's activity brought in no revenue in 2012, as CARMAT's total artificial heart project is still in its development phase. Operating income essentially reflects an ANRT² subsidy for the employment of a PhD student.

Operating expenses totalled €22.4m over the year, including €16.5m of "other purchases and external expenses". They were stable compared with 2011, and correspond to developments recorded in the preclinical phase in 2012. Once a Research Tax Credit of approximately €5.0m is taken into account, the 2012 annual net loss came to €17.2m.

¹ Agence Nationale de Sécurité du Médicament, France's national agency for drug and health product safety

² Association Nationale de la Recherche et de la Technologie

- **Cash position**

The Company had a cash position of €11.1m at December 31, 2012, compared with €29.4m at December 31, 2011, and includes, as well as the proceeds raised in July 2011, a Research Tax Credit of €2.6m received in 2012.

Taking into account a Research Tax Credit of approximately €5m to be received in July 2013, as well as an OSEO payment of €6.7m (€2.9m in subsidies and €3.8m in repayable advances) in accordance with the amendment to the master agreement signed with OSEO, dependent on the completion of the next key stage of the project (EC4 - in-vitro preclinical trial file and conditional approval from the ANSM and the CPP Patient Protection Committee to launch clinical trials on humans), CARMAT should receive a total of at least €11m in 2013.

All these resources should enable CARMAT to finance its activity until 2014.

- **2012 highlights and recent events**

- Scientific communication

A scientific publication by the Company was accepted and published in the European Journal of Cardio-Thoracic Surgery in June 2012³. This publication follows CARMAT's oral presentation at the 25th annual meeting of the European Association for Cardio-Thoracic Surgery (EACTS) in Lisbon, Portugal, in October 2011, regarding the in-vitro haemocompatibility of the bioprosthetic blood-contacting surfaces of the Carmat Total Artificial Heart (press release of October 3, 2011).

In October 2012, the Company also participated in the French American Biotech Symposium (FABS 2012) in Nice, France, and the prestigious Techno College of the 26th Annual Meeting of the European Association for Cardio-Thoracic Surgery (EACTS) in Barcelona, Spain.

- Financial communication

Since January 2012, CARMAT has published a twice-yearly Shareholder Letter. Two issues of this informative tool that supplements the legal information setup were published in 2012 and are available on CARMAT's website (www.carmatsa.com).

- European Mediscience Awards

CARMAT was named best European company in the Best Technology category at the 10th annual European Mediscience Awards, which were held in London on June 21, 2012. The voting panel, consisting of European finance and life science professionals, chose CARMAT for the highly innovative nature of its total artificial heart project and its ability to generate significant future commercial success.

- Project status

The Company is continuing to produce new data for the technical file registered with the ANSM. To date, all of the test benches and tests on animals have been satisfactorily carried out, and three teams of French surgeons are ready to implant the prosthesis into a human as soon as authorisation to commence clinical trials is received. The Company has also set up a clinical trial programme in other countries, in order to be able to count on other centres to initiate or extend trials as quickly as possible.

Marcello Convitì, Chief Executive Officer of CARMAT, concludes: "2012 annual results are in line with our expectations and reflect the intensity of the activity undertaken over the past year with regard to our artificial heart project. Today, the training of the surgical teams has been completed, a number of centres are ready to carry out implants in patients and the Company has the financial means to carry out multiple implants. Within a changing regulatory context, we are now very close to launching the clinical phase in Europe, thanks to the work of our teams, the support of our shareholders and the trust of the medical teams and the scientific community."

About CARMAT: CARMAT, the world's most advanced total artificial heart project.

The only credible response for all cases of end-stage heart failure, which is a real public health issue: CARMAT's aim is to be able to provide a response to a major public health issue associated with heart disease, the world's leading cause of death: chronic and acute heart failure. Indeed, this disease currently affects over 100 million patients in developed countries. By pursuing the development of its total artificial heart, CARMAT intends to overcome the well-known shortfall in heart transplants for the tens of thousands of people suffering from heart failure.

The result of combining two types of unique expertise: the medical expertise of Professor Carpentier, known throughout the world for inventing Carpentier-Edwards® heart valves, which are the most used in the world, and the technological expertise of EADS, world aerospace leader.

Imitating the natural heart: given its size, the choice of structural materials and its innovative physiological functions, CARMAT's total artificial heart could, assuming upcoming clinical trials are successful, potentially benefit the lives of tens of thousands of patients a year whilst ensuring there is no risk of rejection and providing them with an unparalleled quality of life.

³ Jansen P, van Oeveren W, Capel A, Carpentier A. In vitro haemocompatibility of a novel bioprosthetic total artificial heart. Eur J Cardiothorac Surg. 2012 Jun;41(6):e166-72

A project leader acknowledged at a European level: with the backing of the European Commission, CARMAT has been granted the largest subsidy ever given to an SME by OSEO; a total of €33 million.

Strongly committed, prestigious founders and shareholders: [Truffle Capital](#) (the leading European venture capital firm), [EADS](#), the [Foundation Alain Carpentier](#), the [Marie Lannelongue Cardiothoracic Centre](#) and the thousands of institutional and individual shareholders who have placed their trust in CARMAT.

For more information: www.carmatsa.com

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Disclaimer

This press release and the information contained herein do not constitute an offer to sell or subscribe to, or a solicitation of an offer to buy or subscribe to, shares in CARMAT ("the Company") in any country. This press release contains forward-looking statements that relate to the Company's objectives. Such forward-looking statements are based solely on the current expectations and assumptions of the Company's management and involve risk and uncertainties. Potential risks and uncertainties include, without limitation, whether the Company will be successful in implementing its strategies, whether there will be continued growth in the relevant market and demand for the Company's products, new products or technological developments introduced by competitors, and risks associated with managing growth. The Company's objectives as mentioned in this press release may not be achieved for any of these reasons or due to other risks and uncertainties.

No guarantee can be given as to any of the events anticipated by the forward-looking statements, which are subject to inherent risks, including those described in the Document de Référence registered with the Autorité des Marchés Financiers under number R.11-017 on April 27, 2011 and the Note d'Opération that was approved with visa no. 11-308 on July 11, 2011, changes in economic conditions, the financial markets or the markets in which Carmat operates. In particular, no guarantee can be given concerning the Company's ability to finalize the development, validation and industrialization of the prosthesis and the equipment required for its use, to manufacture the prostheses, satisfy the requirements of the ANSM, enroll patients, obtain satisfactory clinical results, perform the clinical trials and tests required for CE marking and to obtain the CE mark.

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