PRESS RELEASE

ERYTECH announces its IPO on NYSE Euronext Paris regulated market

Lyon (France), April 18, 2013 – ERYTECH, a French biopharmaceutical company that designs innovative treatments for acute leukaemia and other oncology indications with unmet medical needs, today announces that the French market regulator *Autorité des Marchés Financiers* (AMF) granted its visa n°13-166 on April 17, 2013 for the prospectus relative to the listing of ERYTECH shares on the NYSE Euronext regulated market in Paris.

ERYTECH, a unique biopharmaceutical company in France:

- Major innovation: "Tumor starvation"
- A first targeted market estimated at €1 billion[1]: Acute leukaemia
- A product in final clinical development phase
- Major partnerships with global pharmaceutical companies



Major innovation: "Tumor starvation" through the encapsulation of therapeutic compounds in red blood cells

"Tumor starvation" is an innovative concept based on destroying cancerous cells by eliminating their essential nutritive elements. Using this original approach, ERYTECH designed and industrialised an innovative technique of starving tumors by encapsulating an enzyme in red blood cells. The membrane of the red blood cell prevents any unwanted interaction with the patient's body. **This considerably minimises any side effects for the patient.**

[1] Source: Erytech / see Chapters VI.4.4. and VI.5.5 of the Prospectus.

A first targeted market estimated at €1 billion[1]: acute leukaemia

Leukaemia is a type of bone marrow cancer, also known as blood cancer. It is an orphan disease. In its acute form, which can rapidly become fatal, there are about **50,000 patients each year** in Europe and the United States. Today, there is **not an effective solution for more than 80% of patients, notably adults, who cannot tolerate the high toxicity of existing treatments**. With 80-90%, the mortality rate is one of the highest for all types of cancer combined. ERYTECH is targeting this market segment which has a potential of €1 billion[1].

A product ready to be marketed: GRASPA®

ERYTECH was created in 2004 and in just 8 years has become **a late-stage biopharmaceutical company** thanks to its methodical development. It has developed GRASPA®, a first product nearing marketing phase: it was **approved for Phase III clinical trials in Europe** in 1st quarter 2013. In March 2013, GRASPA® was also **approved by the US Food & Drug Administration** to begin clinical trials in the United States.

To support the marketing of GRASPA®, ERYTECH built its own pharmaceutical plant in Lyon. Fully operational, the plant is certified **cGMP manufacturing facility**, the highest level of certification, with sufficient production capacity to cover the first two years of marketing.

Major strategic partnerships with global pharmaceutical companies

To market GRASPA®, ERYTECH has already signed two marketing partnership agreements with major players in the European and world pharmaceutical industry: in Israel, with **TEVA**, and in Europe with a leading orphan disease specialist, **Orphan Europe (Recordati group)** including **more than €50m of** upfront, regulatory and commercial milestones **payments**, **plus a very advantageous profit-sharing agreement.**

ERYTECH is listing on the stock market to:

- **Establish its leading acute leukaemia product across Europe** through strategic partnerships with major world pharmaceutical companies.
- **Build a position in the United States,** a substantial market as large as Europe, with the possibility of strongly value-creating partnerships.
- **Develop new cancer indications** to increase its leading product's sales potential.

[1] Source: Erytech / see Chapters VI.4.4. and VI.5.5 of the Prospectus.

Terms of the IPO

Structure of the offering:

Shares will be offered (the '**Offering**'), through:

- A public offering in France in the form of an open-price offer (**'OPO'**), mainly for individuals and
- A global placement in France and outside France, except for the United States and some others countries, mainly dedicated to institutional investors (the **'Global Placement'**).

Initial size of the offering:

1,293,143 new shares to be issued.

Extension Clause:

Up to 15% of the number of shares initially offered, representing a maximum of 193,971 new shares (the **'Extension Clause'**). The Extension Clause may be exercised in whole or in part on one single occasion on April 30, 2013.

Overallotment Option:

Up to 15% of the number of new shares after exercise of the Extension Clause representing a maximum of 223,067 new shares (the **'Overallotment Option'**). This Overallotment Option may be exercised in whole or in part until May 30, 2013.

Indicative price range:

€10.50 to €12.70 per share[2]

Gross proceeds from the issue:

About €15.0m. This could rise to about €17.3m if the Extension Clause is exercised in full, and to about €19.8m if the Extension Clause and the Overallotment Option are exercised in full (based on an issue price of €11.60, the median point of the price range).

Estimated net proceeds of the issue:

About €13.5m. This could rise to about €15.5m if the Extension Clause is exercised in full, and to about €17.9m if the Extension Clause and the Overallotment Option are exercised (based on an issue price of €11.60, the median point of the price range).

[2] The Offer Price may be fixed outside this range. In the event that the upper limit of this range is raised or that the Offer Price is fixed above the upper limit of the range, the closing date of the OPO will be postponed or a new OPO subscription period will be opened, as appropriate, so that there are no fewer than two business days between the date of publication of the press release giving notice of this modification and the new OPO closing date. Orders placed in the OPO before publication of the above press release will remain valid unless they have been specifically revoked before the new OPO closing date. The Offer Price may be set freely below the lower limit of the indicative price range or the indicative price range may be modified downwards (subject to there being no significant impact on the other terms of the Offering).

Shareholder subscription commitments

IDINVEST and AURIGA, the two main shareholders in the Company, have undertaken to place orders for a total of €4.0m, about 26.7%[3] of the gross value of the Offering (before Extension Clause and Overallotment Option). These orders could be reduced and limited to the number of shares needed so that all subscriptions received under the Offering represent the total number of New Shares, before the Extension Clause.

Lock-up commitments from the Company and shareholders

Company lock-up commitment: 180 days
Main financial shareholders lock-up commitment: 540 days on a sliding scale[4]
Seed shareholders lock-up commitment: 360 days on a sliding scale[5]
Main executives lock-up commitment: 540 days on a sliding scale[6]

Planned timetable

April 17, 2013	▪ AMF approval of Prospectus
April 18, 2013	▪ Press release announcing the Offering ▪ Publication by NYSE Euronext of notice of OPO opening ▪ Offer opens
April 29, 2013	▪ Offer closes at 17.00 (Paris time)
April 30, 2013	▪ OPO and Global Placement centralised ▪ Offer Price fixed and Extension Clause exercised if appropriate ▪ Publication of NYSE Euronext notice of results of Offering ▪ Press release announcing results of Offering ▪ Beginning of stabilisation period ▪ Signature of underwriting agreement
May 6, 2013	▪ Settlement and delivery of shares under the Offering
May 7, 2013	▪ ERYTECH shares start trading on NYSE Euronext Paris
May 30, 2013	▪ Deadline for exercise of Overallotment Option ▪ End of stabilisation period

[3] Based on the median point of the indicative Offer Price range of €11.60.
[4] Lock-up commitment in respect of (i) 100% of the shares for a period of 180 days after the settlement and delivery date, (ii) 75% of the shares held for a period of 270 days following the settlement and delivery date, (iii) 50% of the shares held for a period of 360 days following the settlement and delivery date and (iv) 25% of the shares (excluding those arising from convertible bonds for this period) held for a period of 540 days.
[5] Lock-up commitment in respect of (i) 100% of the shares for a period of 180 days after the settlement and delivery date, (ii) 50% of the shares held for a period of 270 days after the settlement and delivery date and (iii) 25% of the shares held for a period of 360 days.
[6] Lock-up commitment in respect of (i) 100% of the shares for a period of 360 days from the settlement and delivery date and (ii) 25% of the shares for a period of 540 days from the settlement and delivery date.

Terms of subscription

Anyone wishing to participate in the OPO must place orders through a financial intermediary registered in France, no later than 17.00 on April 29, 2013 (Paris time) for subscriptions at counters and over the internet. To be counted, orders placed under the Global Placement must be received by the Lead Managers and Book Runners no later than 17.00 on April 29, 2013 (Paris time).

ERYTECH codes

- **Name:** ERYTECH PHARMA
- **ISIN code:** FR0011471135
- **Mnemonic:** ERYP
- **Section:** Compartment C
- **Business sector:** 4577 Pharmaceuticals (ICB classification)

Financial intermediaries

Bryan, Garnier & Co
London • Paris • Geneva • New York • New Delhi

Gilbert Dupont
Société de bourse

Lead Managers and Book Runners

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Availability of Prospectus – Copies of the Prospectus, approved on April 17, 2013 and numbered 13-166 by the Autorité des Marchés Financiers, may be requested free of charge from ERYTECH, Bâtiment Adénine – 60, Avenue Rockefeller 69008 Lyon (France), or on the websites of the AMF (www.amf-france.org) and the Company (www.erytech.com).

Risk factors - ERYTECH draws the public's attention to the business-related risks described in Chapter 4 'Risk Factors' in the first part of the Prospectus and the offer-related risks described in Chapter 2 'Offer-related Risk Factors' in the second part of the Prospectus.

About ERYTECH: www.erytech.com

Created in Lyon in 2004, ERYTECH is a French biopharmaceuticals company that opens new prospects for cancer patients, particularly those with acute leukaemia. By encapsulating the asparaginase enzyme in red blood cells, ERYTECH has developed GRASPA®, an original and effective treatment that kills leukaemia cells through "starvation" while significantly reducing the side effects for patients. GRASPA® is currently completing clinical development and is already covered by distribution partnership agreements in Europe with the Recordati-Orphan Europe group, one of the key players in orphan drugs, and in Israel with TEVA. In the United States, ERYTECH has received approval from the USFDA to launch its first clinical trial in acute leukaemia from 2013. The company has its own production facilities that are already in operation, and a team of nearly 40 employees.

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Warning

This press release, and the information that it contains, constitute neither an offer to sell or subscribe nor a solicitation to purchase or subscribe for ERYTECH shares in any countries.

This press release does not constitute or form a part of any offer to sell or subscribe or solicitation to purchase or subscribe for securities in the United States. The shares or any other securities of ERYTECH may not be offered or sold in the United States unless they are registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or exempt from registration. The shares of ERYTECH have not been and will not be registered under the U.S. Securities Act and ERYTECH does not intend to make any public offer of its shares in the United States.

The distribution of this press release in certain countries may be subject to specific regulations. The persons in possession of this press release shall then get knowledge of any local restrictions and shall comply with these restrictions.

This press release is a translation in English of the French press release. The document de base and the securities note (*note d'opération*) to be approved and registered by the AMF will be drafted in French.

This press release is solely an advertisement and does not constitute a prospectus within the meaning of Directive 2003/71/EC of the European Parliament and the Council of November 4th, 2003, as amended, in particular by Directive 2010/73/EC of the European Parliament and of the Council of November 24, 2010, to the extent such Directive has been transposed in the relevant member State of the European Economic Area (the "Prospectus Directive").

With respect to the member States of the European Economic Area which have implemented the Prospectus Directive, no action has been undertaken or will be undertaken to make an offer to the public of the securities requiring a publication of a prospectus in any member State, other than France. As a result, the shares of ERYTECH may not be offered or will not be offered in any member State other than France, except, pursuant to the exemptions described in article 3(2) of the Prospectus Directive, if they have been transposed by this member State or in any other circumstances not requiring ERYTECH to publish a prospectus as provided under article 3(2) of the Prospectus Directive and/or regulations applicable in this member State.

This press release does not constitute and shall not be considered as constituting a public offer, an offer to purchase or as an intention to solicit the interest of the public for a public offering.

This press release is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Financial Promotion Order"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This press release is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this press release relates is available only to relevant persons and will be engaged in only with relevant persons.

This press release contains forward-looking statements. No guarantee is given as to these forecasts being achieved, which are subject to risks including, in particular, those described in the Prospectus filed with the AMF under number 13-166 on April 17, 2013, and to the development of economic conditions, the financial markets and the markets in which ERYTECH operates.