



Results and Milestones for 2013 confirm the relevance of Theradiag's strategy

- **Strong increase in sales of Lisa-Tracker products and molecular biology tests : +247% compared to 2012**
- **Growth of in-house products sales: +6%**
- **Gross margin improvement: +5.9 points**
- **32% of revenues generated through exports**
- **Solid cash position of €4 million**

Croissy-Beaubourg, February 13, 2014 – THERADIAG (ISIN : FR0004197747, Ticker : ALTER), a company specializing in theranostics and in vitro diagnostic (IVD), today reports its audited annual financial results for 2013 as approved by the Board of Directors on February 11, 2014.

“Financial results for 2013 are in line with Theradiag’s strategic positioning presented during our IPO and consistent with expectations. Sales of our theranostics portfolio Lisa-Tracker and molecular biology assays tripled over the period, leading to a significant improvement of our gross margin and confirming the relevance of our strategic repositioning in favor of in-house kits and high-technology distribution products. The favorable shift in our product mix and the opening of new markets for our theranostics products will soon compensate the decrease in distribution revenues.” comments Michel Finance, CEO of Theradiag.

<i>in €K</i>	FY 2013	FY 2012
Revenues	6,760	8,253
<i>incl. in-house revenues</i>	<i>3,464</i>	<i>3,268</i>
<i>incl. distribution revenues</i>	<i>3,296</i>	<i>4,985</i>
Operating profit/loss	-1,974	-979
Financial Income	-35	-104
Pre-tax profit/loss	-2,009	-1,083
Exceptional items	-65	-67
Net profit/loss	-1,914	-972

- **Revenues 2013 in line with Company expectations**

THERADIAG recorded FY2013 revenues of €6.8 million, an 18% decrease, linked to the planned decline in distribution revenues of non-proprietary IVD product. In accordance with the strategy announced during its IPO, the Company is now prioritizing the development and marketing of its proprietary theranostics and in vitro diagnostics (IVD) products. The distribution part of the business continues, but it is focused on the most innovative IVD products. Underperforming ranges, while still promoted, are not being replaced. In-house assays and high-value are sales main growth drivers and will allow, in time, to return to break-even.



In-house revenues were thus up 6%, at €3.46 million compared to €3.27 million in FY2012. This increase is driven by the sales of the Lisa-Tracker portfolio and Amplide X molecular biology tests, which tripled over 2013 and reached €0.4 million and €0.34 million in revenue respectively.

The gross margin reflects this favorable shift in the product mix towards in-house products, increasing by 5.9 points to 63.5% in 2013 from 57.6% in 2012.

For the first time since its strategic repositioning, sales of in-house products make up for 51% of total revenue while sales made as part of distribution contracts make up for 49%.

Exports totaled €2.2 million over the period, making up for 32% of sales compared to 29% in 2012.

- **Net result for 2013**

The reorganization of the Company into two distinct Business Units dedicated to Theranostics and In Vitro Diagnostics, the recruitment of 2 pharmaceutical and diagnostics industry experts as head of these business units, and the strengthening of the marketing staff resulted in an 18% increase in operating costs to €6.23 million in 2013. Group staff level grew to 63 as of December 31, 2013, compared to 50 at the same time last year.

The Company maintained its strong investment policy, mainly dedicated to Theranostics, amounting to €1.23 million in 2013 (18% of total revenues), including R&D efforts by Prestizia, a 100% subsidiary of Theradiag.

After taking into account €0.16 million in research tax credit (*Crédit d'Impôt Recherche, CIR*), the net loss for the period was -€1.91 million compared to -€0.97 million in 2012.

- **Solid cash position of €4 million**

The Company's financial position as of December 31, 2013 is solid, with an available cash balance of €4 million compared to €5.4 million as of June 30, 2013.

"We head into 2014 with confidence and ambition. We will pursue our R&D efforts and continue to seek external growth opportunities in order to maintain our leadership position in theranostics and individualized medicine. We will build on the efforts made over the past year to bring 3 new theranostics kits for oncology to the market in the coming month. We will sign new partnership agreements to create new opportunities for our microRNA technology, open new markets and increase sales of our IVD and theranostics lines." comments Professor Tobelem, Chairman of Theradiag.

2013 milestones: rise in sales of theranostics products

New products and distribution contracts:

- CE mark for a new biotherapy monitoring kits for Tocilizumab (anti-IL6R) for the treatment of rheumatoid arthritis and Rituximab (antiCD20) for the treatment of lymphoma, leukemia and



certain severe forms of auto-immune diseases. These new kits further expand the Lisa Tracker portfolio, which now offers a range of seven blood test kits.

- CE mark for the proprietary anti-CCP in vitro diagnostic (IVD) kit in rheumatoid arthritis. This test further expands the Fidis portfolio of diagnostic tests for auto-immunes diseases.
- Distribution of two new multiplexed molecular diagnostic assays that simultaneously test for multiple causes of respiratory viruses and infectious gastroenteritis in a single molecular test.

New partnership agreements and research projects:

- Collaborative project with Splicos and CNRS with the financial support of BPI France (previously Oséo, the French Agency for Innovation) for the development of 4 new microRNA-based diagnostics kits in the treatment of HIV /AIDS and obesity.
- Partnership agreement with the Regional Cancer Institute of Montpellier (ICM) to develop microRNA-based theranostics tools for the screening and monitoring of rectal cancer.
- Formation of an international HIV/AIDS Scientific Advisory Board, to advise the Company on the clinical development of a test to characterize HIV tropism based on microRNA signatures.

Strengthening of the Company's teams and R&D capacities:

- Opening of a new research facility in Montpellier dedicated to applied research for the development of microRNA-based assays, and recruitment of a miRNA expert as laboratory director, as well as a technician.
- Final payment (in shares) for Prestizia, in accordance with the terms of the 2012 acquisition contract. Prestizia and its innovative miRNA platform make Theradiag a pioneer of miRNA-based theranostics.
- Appointment of Valery Labonne, M.D., as Vice President for the « Theranostics » business unit, and Philippe Lestage as Vice President for the « In Vitro Diagnostics » business unit.
- Strengthening of the microRNA R&D team for the Montpellier research facility.

Scientific meetings and symposium:

- Organization of a symposium dedicated to the dosage of anti-TNF α , made available by the Lisa Tracker theranostics range as part of Video Digest 2013 - the French annual meeting dedicated to digestive endoscopy.
- Active presence in 10 national and international scientific meetings



About Theradiag

Backed by its expertise in the distribution, development and manufacturing of in vitro diagnostic tests, Theradiag innovates and develops theranostic tests (combining treatment and diagnosis) that measure the efficiency of biotherapies in the treatment of autoimmune diseases, cancer and AIDS. Theradiag is thus participating in the development of “customized treatment”, which favors the individualization of treatments, the evaluation of their efficiency and the prevention of drug resistance. Theradiag markets the Lisa-Tracker range (CE marked), which is a comprehensive multiparameter diagnosis solution for patients with autoimmune diseases treated with biotherapies. Theradiag is also developing new diagnostic markers thanks to its microRNA platform, which will allow specific biomarkers to be identified in order to guide therapy and will be first and foremost applied to the treatment of AIDS. The Company is based in Marne-la-Vallée, near Paris, and in Montpellier, and has some 50 employees.

For more information about Theradiag, please visit our website: www.theradiag.com



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