

Implanet announces a capital increase, with shareholders' preferential subscription rights, of approximately €10m to finance its accelerated growth

- Subscription parity: 4 new shares for 5 existing shares
 - Subscription price: €2.25 per share
- Subscription period: February 23, 2015 to March 6, 2015 (inclusive)

Bordeaux, February 18, 2015 – IMPLANET (Euronext: IMPL, FR0010458729) a medical technology company specializing in vertebral and knee-surgery implants, announces today the terms of its capital increase with preferential subscription rights for a gross amount of approximately €10m (excluding exercise of the extension option).

The proceeds of the issue will be used to give the Implanet Group the financial means to finance its loss-making activity and future loan repayments (approximately €2.8 million, including €1.1 million over the coming 12 months) and thus to help finance its business continuity.

In addition, the Implanet Group will devote €6.9 million to finance its development, and in particular to (in order of priority):

- **continue the market development of the JAZZ implant portfolio** through the recruitment of additional sales and marketing talent, notably in the United States, for approximately €3.1 million (including €1.2 million over the coming 12 months);
- **pursue its R&D efforts** in order to **turn the JAZZ implant into a broad technological platform** to provide spine surgeons with a comprehensive range of implants in multiple market segments, for approximately €1.5 million (including €0.5 million over the coming 12 months); and
- **finance major clinical and medico-economic studies** in order to accelerate JAZZ's adoption in major scoliosis deformities and to extend its use in degenerative spine surgery, for approximately €2.3 million (including €1 million over the coming 12 months).

As a reminder, the Implanet Group recorded revenue of €7.0 million in 2014 with growth of +28% (excluding Hip activity), with Spine activity seeing a substantial increase (+138%).

To enable its current shareholders to participate in the Implanet Group's development, the Company has opted for a capital increase with shareholders' preferential subscription rights ("**Rights**"). These Rights entitle existing shareholders priority in subscribing to a number of new shares that is proportional to the number of shares they currently hold, to ensure that their stake in the Company is not diluted. These Rights may also be divested throughout the subscription period by shareholders who do not wish to participate in the capital increase.

Investor subscription commitments

Two of the Company's historical shareholders have committed to subscribe to this capital increase, while new investors have pledged to acquire and exercise all of the Rights divested to them by some of the Company's shareholders.

Overall, irreducible and reducible subscription commitments by shareholders and investors represent a maximum total of 2,726,407 new shares, i.e. a maximum amount of €6.1 million.

Moreover, 8 shareholders and 2 investors have irrevocably undertaken, should the contemplated capital increase not be subscribed for at least 75% of the contemplated amount, to subscribe, both on a irreducible basis and a reducible basis, to the shares that would then be allocated to them by the Company's Board of Directors in order to reach 75% of the amount of the capital increase. These commitments represent a total of 535,775 new shares, i.e. a maximum amount of €1.2 million.

Main terms of the capital increase

The capital increase will be carried out through the issuance of 4,319,616 new shares at a price of €2.25 per new share, representing gross proceeds of approximately €9.7m, including issue premium. The number of new shares may be increased to a maximum of 5,155,122 new shares, representing maximum gross proceeds of approximately €11.6m, including issue premium, should the extension clause be fully exercised and assuming that, before February 27, 2015, all rights giving access to Implanet's capital are exercised (excluding rights the beneficiaries of which are all Implanet executive officers having irrevocably undertaken not to exercise them and excluding the 530,000 warrants issued by the Company to Kepler Cheuvreux, which may only be exercised at the Company's request).

Each Implanet shareholder will receive one Right for each share held as of the close of trading on February 20, 2015. Five (5) Rights will entitle the holder to subscribe on an irreducible basis to four (4) new shares.

On the basis of the closing price of Implanet's shares on February 17, 2015 (i.e. €3.84), the theoretical value of each Right is €0.71.

The subscription price represents a 41.41% discount compared to the closing price of the Company's shares on February 17, 2015, and a 28.19% discount compared to the theoretical ex-right price.

Additional subscriptions are allowed on a reducible basis.

The offer will be open to the public only in France.

ODDO & Cie and SwissLife Banque Privée are acting as Joint Lead Managers and Joint Bookrunners.

Indicative timetable

The subscription period will run from February 23, 2015 to the close of trading on March 6, 2015. During this period, the Rights will be listed on the Euronext regulated market in Paris under ISIN code FR0012558682. Any Rights not exercised before the end of the subscription period, i.e., the close of business on March 6, 2015, will become null and void.

Settlement-delivery and listing of the new shares are expected to occur on March 20, 2015. The new shares will carry full dividend rights. They will be immediately fungible with the Company's existing shares and will be traded on the same listing line under the same ISIN code FR0010458729.

Significant milestones and events: 2014, a year of development

Since the beginning of the 2014 financial year, Implanet has continued to implement the business plan announced at the time of its IPO, with a number of major achievements:

Maximization of JAZZ's adoption

- in scoliosis, publication of a study regarding the restoration of frontal and sagittal alignments in adolescent scoliosis surgery;
- in degenerative spine disorders, publication of a study showing the efficiency of JAZZ implanted in the vertebrae of patients with degenerative bone pathologies;
- encouraging preliminary results from an in-vitro biomechanical study in osteoporotic specimens completed by the Mayo Clinic.

Extension of the product range

- development of the JAZZ technological platform;
- adaptation of JAZZ's versions to various existing rod sizes;
- harmonization of the CE and FDA regulatory files for the entire range;
- validation of a first generation of instruments for less-invasive surgery.

Large-scale commercial deployment

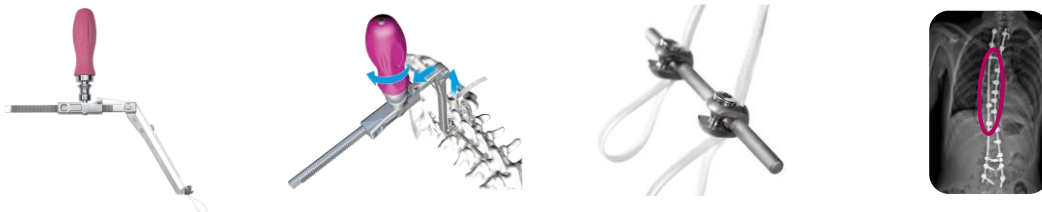
- business acceleration in the United States with the signing of 25 sales partner contracts along with significant strengthening of the Management Team (3 Sales Directors, 1 Marketing and Training Director, 2 Independent Board Members and 1 Medical Advisor);
- structuring of the sales team in the rest of the world: 1 European Sales Director, 1 International Product Officer and 1 Training Officer.

Information available to the Public

The prospectus approved by the French Financial Markets Authority (the "AMF") on February 18, 2015 under number 15-055 includes Implanet's *Document de Reference* (the "Registration Document"), registered with the AMF on January 12, 2015 under number R.15-004, a securities note (the "Securities Note") and a summary of the prospectus (included in the securities note).

Availability of the reference document - Copies of the prospectus are available free of charge from IMPLANET, Technopole Bordeaux Montesquieu, Allée François Magendie, 33650 Martillac, France (www.implanet.com) and from the AMF website (www.amf-france.org).

Risk factors - IMPLANET wishes to draw the public's attention to chapter 4 (Risk factors) of the registration document filed with the AMF and to section 2 (Risk factors) of the Securities Note.



About IMPLANET

Founded in 2007, IMPLANET is a medical technology company that manufactures high-quality implants for orthopedic surgery. Its flagship product, the JAZZ latest-generation implant, aims to treat spinal pathologies requiring vertebral fusion surge Protected by four families of international patents, JAZZ has obtained 510(k) regulatory clearance from the Food and Drug Administration (FDA) in the United States and the CE mark. IMPLANET employs 45 staff and recorded 2014 sales of €7.0 million. For further information, please visit www.implanet.com. Based near Bordeaux in France, IMPLANET has established a subsidiary in the USA since 2013 in Boston.



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Disclaimer

This press release and the information contained herein do not constitute an offer to sell or purchase, nor the solicitation to sell or purchase Implanet shares or Rights.

This press release and the prospectus registered with the French Financial Markets Authority (*Autorité des marchés financiers*) contain forward-looking statements. No guarantee is given as to these forecasts being achieved, which are subject to risks, including those described in the prospectus, and to the development of economic conditions, the financial markets and the markets in which Implanet operates.

European Economic Area

The offer is open to the public in France.

With respect to members of the European Economic Area other than France (the “**Member States**”) that have implemented the Prospectus Directive, no action has been undertaken or will be undertaken to make an offer to the public of securities requiring the publication of a prospectus in any Member State. Therefore, the Rights, the new shares and other securities mentioned in this press release may only be offered in Member States:

- to qualified investors as defined in the Prospectus Directive;
- to less than 100 or, if the Member State has transposed the relevant provision amending the Prospectus Directive, 150 natural or legal persons (other than qualified investors as defined in the Amending Prospectus Directive) per Member State; or
- in circumstances falling under the scope of Article 3 (2) of the Prospectus Directive.

For the purposes of this paragraph, (i) the expression “**public offer of securities**” in a given Member State means the communication to persons, in any form and by any means whatsoever, and containing sufficient information on the conditions of the offer and the securities to be offered to enable an investor to decide to purchase or subscribe said securities, as that definition has been, where appropriate, modified by the Member State in question, (ii) the expression “**Prospectus Directive**” means Directive 2003/71/EC of November 4, 2003, as transposed into the law of the Member State in question (as amended, including the Amending Prospective Directive when it has been transposed by each Member State), and (iii) the expression “**Amending Prospectus Directive**” means Directive 2010/73/EU of the European Parliament and of the Council of November 24, 2010.

These sales restrictions relating to Member States apply in addition to any other restrictions applicable in Member States that have transposed the Prospectus Directive.

United Kingdom

This press release does not contain or constitute an invitation, inducement or solicitation to invest. This press release is intended solely for persons (i) who are not in the United Kingdom, (ii) who are investment professionals within the meaning of Article 19 (5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the “**Order**”), (iii) who are persons falling within the provisions of Article 49 (2) (a) to (d) (“high net worth companies, unincorporated associations, etc.”) of the Order, and (iv) who are persons to whom an invitation or inducement to engage in investment activity (within the meaning of the Financial Services and Markets Act 2000) may lawfully be made or caused to be made in the context of the issuance or sale of securities (all persons cited in (i), (ii), (iii) and (iv) together being designated as “**Relevant Persons**”).

This press release is aimed solely at Relevant Persons, and must not be used or relied upon by unauthorized persons. Any investment or investment activity in connection with this press release is reserved solely for Relevant Persons, and may only be made by Relevant Persons.

This press release does not constitute an approval by the Financial Services Authority or any other regulatory authority in the United Kingdom within the meaning of Section 85 of the Financial Services and Markets Act 2000.

United States of America

This press release does not constitute an offer to sell securities or the solicitation of an offer to purchase securities in the United States of America. The securities mentioned herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), and may not be offered or sold in the United States in the absence of registration or an exemption from registration under the Securities Act. Implanet does not intend to register the offer in whole or in part in the United States of America, or to make a public offer in the United States of America.

Canada, Australia and Japan

The new shares and Rights may not be offered, sold or purchased in Canada, Australia or Japan.