

## Safe Orthopaedics reports its revenue for the first 9 months of 2016 and its cash position

- Revenue up 16% in France over the first 9 months
- Adjusted revenue up 4% over the first 9 months
- €4.3 million in cash excluding the latest €650 thousand issue of OCABSA notes

Eragny-sur-Oise, France, October 13, 2016 – SAFE ORTHOPAEDICS (FR0012452746 – SAFOR), a company offering innovative ranges of sterile implants combined with their single-use instruments for back surgery, has today released its revenue for the first nine months of 2016 and its cash position at September 30, 2016.

in thousands of euros	9m 2016	9m 2015	Change
France	855	738	+16%
Rest of the world (excluding United States)	770	822	-6%
<b>Total adjusted* revenue</b>	<b>1,625</b>	<b>1,560</b>	<b>+4%</b>
United States (discontinued operations)	100	375	-73%
<b>Total revenue</b>	<b>1,726</b>	<b>1,935</b>	<b>-11%</b>
<b>Cash position</b> (in millions of euros, at September 30)	<b>4.3</b>	<b>7.6</b>	

\*Adjusted for operations in the United States discontinued effective March 1, 2016.

In the first nine months of 2016, revenue adjusted for operations in the United States grew 4% to €1,625 thousand, compared with €1,520 thousand in the same period of 2015. Growth in France continued, with revenue moving up 16% to €855 thousand in the first nine months of 2016, compared with €738 thousand in the same period of 2015.

in thousands of euros	Q3 2016	Q3 2015	Change
France	256	232	+10%
Rest of the world (excluding United States)	165	280	-41%
<b>Total adjusted* revenue</b>	<b>421</b>	<b>512</b>	<b>-18%</b>
United States (discontinued operations)	0	116	-100%
<b>Total revenue</b>	<b>421</b>	<b>628</b>	<b>-33%</b>

\*Adjusted for operations in the United States discontinued effective March 1, 2016.

In the third quarter of 2016, Safe Orthopaedics' adjusted revenue came to €421 thousand, down from €512 thousand in the same period of the previous year. Quarterly revenue in France totaled €256 thousand, up from €232 thousand in the year-earlier period. This 10% increase reflected the success of the Group's strategy of focusing on a direct sales model.

The French market continued to grow, and sales are expected to reap the benefit of additions to its sales force. In the fourth quarter, Safe Orthopaedics plans to manage its sales directly in Switzerland. The revenue contraction in export markets reflected some major disparities. In particular, the third-quarter 2016 figure was depressed by a credit note issued in connection with the termination of a relationship with an underperforming distributor in Switzerland.

What's more, following on from its expansion into South America, Safe Orthopaedics intends to continue establishing a presence in emerging markets with great commercial potential. For example, the regulatory approval process for Safe Orthopaedics' products is nearing completion in Russia (commercial launch scheduled for the first half of 2017).

*"Although our third-quarter 2016 performance in export markets was disappointing, our sales have really gained pace in areas where our marketing efforts are focused on our most highly differentiated technologies. Our products for treating trauma (SteriSpine™PS and Oak screw) and degenerative conditions by means of a minimally invasive technique (Cypress screw) are very popular with our customers, as five surgeons recently explained in their EuroSpine presentations", said Pierre Dumouchel, Chief Executive Officer of Safe Orthopaedics. "The refocusing of our business in March 2016, the new hires strengthening our sales and marketing teams, and the promotion of our unique technologies are set to pay off in the near future".*

## Cash position

At September 30, 2016, Safe Orthopaedics had €4.3 million in cash, not including the €650 thousand raised from the issue of a new tranche of OCABSA notes on September 29, 2016.

For the record, Safe Orthopaedics held €4.3 million in cash at June 30, 2016 and €5.9 million at December 31, 2015.

## Next Financial Release

Fourth-quarter 2016 revenue: Thursday January 19, 2017 (after market close)

## About Safe Orthopaedics

Founded in 2010, Safe Orthopaedics is a French medical technology company that develops and markets an innovative range of sterile implants and associated single-use surgical instruments, with the aim of facilitating safer, optimized and lower-cost spinal surgery. By avoiding the reuse of surgical instruments, Safe Orthopaedics reduces the risk of infection, avoids the cumbersome and unreliable logistics of instrument sterilization, and limits hospital costs. Protected by 17 patent families, the SteriSpine™ Kits are CE-marked and FDA cleared. The company is based at Eragny-sur-Oise (France), and has 34 employees.

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

## Contacts

### Safe Orthopaedics

Thierry Lambert  
CFO

Tél. : +33 (0)1 34 21 50 00

[investors@safeorthopaedics.com](mailto:investors@safeorthopaedics.com)

### NewCap

Julien Perez / Valentine Brouchet  
Investor Relations

Nicolas Merigeau  
Media Relations

Tél. : +33 (0)1 44 71 94 94

[SafeOrtho@newcap.eu](mailto:SafeOrtho@newcap.eu)

