Paris, May 1st, 8.45am

2016 revenues of 1,508 K€

Filing for registration of masitinib to EMA in severe systemic mastocytosis and Amyotrophic Lateral Sclerosis (ALS)

Funds raised by the Company in 2016 and 2017 (to date): €32 million and €40 million respectively, through private placements and equity line

AB Science SA (NYSE Euronext - FR0010557264 - AB), a pharmaceutical company specialized in research, development and marketing of protein kinase inhibitors (PKIs), reports today its annual financials as of 31 December 2016 and provides an update on its activities. The Board who met on April 27th, 2017, reviewed and approved the consolidated financial statement for the year closing on 31 December 2016. Audit procedures on consolidated financial statements were performed. The audited financial report is available on the Company's website.

I. Key events of year 2016

Clinical study results

- Amyotrophic Lateral Sclerosis (ALS)

The phase 2/3 study AB10015 of masitinib in amyotrophic lateral sclerosis (ALS) has met its pre-specified primary endpoint and confirmed interim analaysis. The final analysis was performed based on 394 patients treated for 48-weeks and randomly allocated to three different treatment arms: masitinib at 4.5 mg/kg/day, versus masitinib at 3 mg/kg/day, versus placebo, each administered as an add-on to riluzole. The primary endpoint was based on the change from baseline to week 48 in the revised Amyotrophic Lateral Sclerosis Functional Rating Scale (ALSFRS-R).
Full efficacy and safety data will be submitted for presentation at the European Network for the Cure of ALS (ENCALS) annual meeting in Ljubljana, Slovenia (18 – 20 May, 2017).

As a reminder, an interim analysis was planned to be performed once 191 of patients (50% of the study population) had reached the 48-week treatment time point. This interim analysis was positive and AB Science filed for registration to European Medicine Agency (EMA) in this indication. The review process started on 12 September 2016. EMA decision on registering masitinib in ALS should be known by the end of fourth quarter of 2017.

- Severe systemic mastocytosis

The phase 3 study in severe systemic mastocytosis was successful on its pre-specified primary endpoint and showed the superiority of masitinib as compared with optimal symptomatic treatment.
This randomized phase 3 study compared masitinib plus optimal symptomatic treatment versus placebo plus optimal symptomatic treatment in adult patients with severe systemic mastocytosis, with or without D816V mutation of c-Kit. Study results showed that masitinib administered at 6 mg/kg/day was superior to the comparator, as measured by the cumulative 75% response rate until week 24 on the handicaps of pruritus or flushes or depression or fatigue (4H75% response). The 4H75% response was

18.7% for the masitinib treatment-arm versus 7.4% for the placebo treatment-arm (p=0.0076, Odd ratio=3.63) in the mITT population (primary analysis). According to protocol, the primary efficacy analysis was performed in the modified intent-to-treat population (mITT), yet the study was also successful on the sensitivity analysis performed in the intent-to-treat population (18.7% versus 7.6%, respectively, 0.0102, Odd ratio= 3.28). Success in the primary analysis was also supported by positive outcomes in all secondary analyses.
These results were presented at the 2016 annual meeting of the European Hematology Association (EHA).

Following these results, AB Science filed to EMA for the Marketing Authorization of masitinib in the treatment of adult patients with severe systemic mastocytosis unresponsive to optimal symptomatic treatment. The review process started on 26 April, 2016. EMA decision will be known in the second half of May 2017. Masitinib is the first drug to be evaluated in this indication.

- As of 31 December 2016, the clinical development program of masitinib is as follows:

Area	Indication	Study	Status
Oncology / Hematology	GIST in first-line treatment	Phase 3	On-going
	GIST in second-line treatment	Phase 3	On-going
	Metastatic melanoma with JM mutation of c-KIT	Phase 3	On-going
	Pancreatic cancer	Phase 3	On-going
	Relapsed metastatic colorectal cancer	Phase 3	On-going
	Relapsed multiple myeloma Metastatic Castrate Resistant Prostate Cancer in first line	Phase 3	On-going
	Relapsed metastatic ovarian cancer	Phase 3	On-going
	Relapsed peripheral T-cell lymphoma	Phase 3	On-going
Inflammatory and neurodegenerative diseases	Severe asthma uncontrolled by oral corticosteroids	Phase 3	Recruitment completed
	Severe asthma uncontrolled by oral corticosteroids and with elevated eosinophil level	Phase 3	On-going
	Alzheimer disease	Phase 3	On-going
	Progressive forms of multiple sclerosis	Phase 3	On-going
	Amyotrophic lateral sclerosis	Phase 3	Study completed

Other events

- Equity financing facility

AB Science has two equity financing facilities set up with Société Générale and Crédit Agricole.

✓ With Société Générale :

This equity line facility (PACEO) set up with Société Générale on 30 July 2014 enables the Company to carry out successive capital increases representing a maximum of 3,200,000 shares. For each tranche, the price to be paid equals the volume weighted average share price of the three trading days preceding the effective date of purchase with a discount capped at 5% depending on the size of the drawdown. This discount allows Société Générale, who is not positioned as a long term shareholder in the Company, to purchase the shares independently of market volatility.

During the 2016, AB Science used the equity financing facility (PACEO) four times and proceeded with the issue of 1,638,183 new shares, resulting in a capital increase of 20,655,463 euros (including 16,381.83 for share capital).
The number of new shares to be potentially issued though a new use of the PACEO with Société Générale is 103,317 as of 31 December 2016.

- ✓ With Crédit Agricole :

AB Science concluded an equity line with Crédit Agricole Corporate and Investment Bank ("Crédit Agricole CIB"), as authorized by the Shareholders' Meeting held on 22 June 2015.
Under the terms of the agreement, Crédit Agricole CIB has committed to purchase new shares during a 3 years commitment period, within the global limit of 3,340,000 shares.
For each drawdown, the subscription price is computed as the volume weighted average share price during the three trading days preceding the effective date of subscription, with a discount capped at 5% and depending on the size of the drawdown. The new shares issued will be subsequently sold on- or off-market by Crédit Agricole CIB.
AB Science has no minimum drawdown obligation, and will use the facility at its sole discretion if market conditions are favorable and in the best interests of both the Company and its shareholders.
This equity line facility has not been used in 2016.

- Convertible bonds :

The bond loan agreement, convertible or reimbursable in ordinary shares, for a total nominal value of 10,000,500 € (100 bonds with nominal value of 100,005 euros each), for which 15 bonds were converted into shares on the 5 September 2015 has been converted into shares on the 18 of April 2016.
566,695 new ordinary shares have been issued for a total amount of 8,500,425 euros.

The bond loan agreement, convertible or reimbursable in ordinary shares, for a total nominal value of 12,508,232 € (65 bonds with nominal value of 192,434.34 euros each), for which 1 bond was converted into shares on the 29 October 2015 has been converted into shares on the 15 of December 2016 for an amount of 12,362,770.
525,406 preference shares (C shares) and various classes of warrants were created.

As of 31 of December 2016, the number of bonds to be potentially converted or reimbursable in ordinary shares is therefore nil.

- Private placement :

On the 21 of April 2016, AB Science successfully completed a private placement of 12M€ with RA Capital Management. 764,820 securities have been issued at the price of 15.69€ per share, after a 10% discount to the volume weighted average price of the last five trading days preceding the pricing date, i.e. 17.43€.
Each Security is composed of one ordinary share and one warrant. The warrants are exercisable for an aggregate of 191,205 additional shares, at a price of 15.69€ per share after the 10% discount. The theoretical value of the warrant is equivalent to an additional discount of 5.2%.
The warrants shall be exercisable within a year from their issuance. They will not be listed on Euronext Paris.
If all the warrants are exercised, the Company would receive an additional 3M€ of proceeds.

- Other transactions of securities

During 2016:
- 110,640 stock options were granted
- 346 000,000 unattached share subscription warrants were allocated and 14,000 were signed in 2016

- 33,751 preference shares of nominal value of 0.01 euros were issued

- AMF investigation :

Following an AMF (Autorité des Marchés Financiers) investigation, the company was fined a total of 200,000 euros by decision of the AMF's Sanctions Committee on 28 June 2016.

As a reminder, this investigation focused first on a possible violation of the provisions of article 632-1 of the AMF General Regulation following press releases issued beginning of November 2013 and related to the transition from Phase 2 to Phase 3 of clinical studies in (i) amyotrophic lateral sclerosis and (ii) mastocytosis. Following the investigation, the AMF's Sanctions Committee concluded that there was no breach of the provisions of article 632-1 of the AMF General Regulation from AB Science.
The investigation also focused on the possible breach of obligation to disclose privileged information at the time of the capital increase through the issue of 256,000 new shares as part of the equity line facility program two weeks before the decision of the Committee of Human Medicinal Products (CHMP) of the European Medicines Agency related to the conditional marketing authorization of masitinib in the treatment of GIST. On this point, the AMF considered that because a negative vote of the CHMP was likely following the negative opinion of the CHMP Rapporteurs, which was known after the oral hearing a month prior to this vote, that such knowledge constituted privileged information. Nevertheless, the AMF has noted that the Rapporteurs had changed their mind during the month before the CHMP vote and that they finally considered that the study was a success and that a positive vote was therefore still possible.

- Other informations :

AB Science confirms its eligibility for the PEA-SMEs in accordance with decree n°2014-283 of 4 March 2014 for the implementation of Article 70 of 2014 Finance Law n°2013-1278 of 29 December 2013, setting the PEA-PME eligibility for companies: less than 5 000 employees on one hand, a turnover lower than 1,500 million euros or total assets of less than 2,000 million, on the other hand.

II. Recent events since the closing of the financial year

Clinical study results

- Amyotrophic Lateral Sclerosis

The phase 2/3 study AB10015 of masitinib in amyotrophic lateral sclerosis (ALS) has met its pre-specified primary endpoint and confirmed interim analaysis.

The primary endpoint was based on the change from baseline to week 48 in the revised Amyotrophic Lateral Sclerosis Functional Rating Scale (ALSFRS-R). As recommended by EMA, Progression Free Survival (PFS) was included as a key secondary endpoint for registration, with progression being defined as ALSFRS-R deterioration of more than 9 points or death. A stepwise sequence of analysis was predefined to first test masitinib at 4.5 mg/kg/day versus placebo, and then masitinib at 3 mg/kg/day versus placebo.

For masitinib at 4.5 mg/kg/day:
- Primary analysis on the change in ALSFRS-R score at week 48 (mLOCF methodology) is statistically significant with a P-value of 0.014.
- Sensitivity tests on the primary analysis consisted in two models to impute a value at week 48 for any patients who discontinued treatment before week 48. Those sensitivity analyses are also significant with a P-value of 0.015.
- The key secondary analysis on PFS was statistically significant with a P-value of 0.016.

- Quality-of-life measured by change in ALSAQ score was also statistically significant with a P-value<0.01.

For masitinib at 3 mg/kg/day:
- There was a trend in favor of masitinib versus placebo for change in ALSFRS score at week 48 (LOCF methodology) and likewise for the two imputation models (sensitivity analyses) and in PFS (secondary analysis).
- The change in quality-of-life was statistically significant (p-value<0.01) in favor of masitinib.

The adverse events observed for masitinib in study AB10015 were consistent with its known safety profile. There were no new safety events at final analysis as compared with interim analysis.

Full efficacy and safety data will be submitted for presentation at the European Network for the Cure of ALS (ENCALS) annual meeting in Ljubljana, Slovenia (18 – 20 May, 2017).

- Primary and secondary progressive forms of multiple sclerosis

The masitinib phase 3 trial for the treatment of patients with primary progressive or relapse-free secondary progressive multiple sclerosis has passed the non-futility test at 2 years.

The ongoing phase 3 trial is a double-blind, randomized, placebo-controlled study (AB07002) designed to assess the safety and efficacy of masitinib in patients with primary progressive or relapse-free secondary progressive multiple sclerosis. The treatment period is 96 weeks.
The trial is testing 2 doses of masitinib, masitinib 4.5 mg/kg/day and masitinib 4.5 mg/kg/day escalating to 6 mg/kg/day, versus placebo (randomization 2:1).
The primary efficacy endpoint is the change over 96 weeks in EDSS (Expanded Disability Status Scale), which is a scale used for quantifying disability in multiple sclerosis and monitoring changes in the level of disability over time.

Based on these results, the Independent Data Safety Monitoring Committee (IDMC) has recommended the continuation of the study.

The study enrolled 600 evaluable patients as planned. The study is therefore now closed to patient enrolment.

The next step for this study is the interim analysis expected with 50% of patients having reached the 96 week treatment duration period. This interim analysis is anticipated in Q2 2018. Final results are expected in Q2 2019.

- Severe persistent asthma uncontrolled by oral corticosteroids

The phase 3 study in severe persistent asthma uncontrolled by oral corticosteroids has completed recruitment.

The phase 3 trial (AB07015) is a double-blind, randomized, placebo controlled study evaluating the safety and efficacy of masitinib in severe asthma uncontrolled by oral corticosteroids. The primary endpoint of this study is the rate of severe asthma exacerbations over the treatment period. The duration of treatment predefined by the protocol is 36 weeks. The planned recruitment is for 350 assessable patients.

Final results will be available at the end of 2017.

In order to expand the asthma franchise, AB Science has initiated a new phase 3 study (AB14001) in asthma uncontrolled by high-dose inhaled corticosteroid plus long-acting beta-agonists (LABAs) and

with elevated eosinophil level. This study has recruited its first patients. This new indication is much broader and is estimated to affect 1,500,000 adults in the USA and Europe.

Equity financing facility

On January 13, 2017, AB Science used the Equity Line set up with Crédit Agricole Corporate and Investment Bank ("Crédit Agricole CIB") and authorised by the Shareholders' Meeting held on 22 June 2015. AB Science proceeded with the issue of 520,091 new shares, for the price of €14.62 per share.

Capital increase through private placements

AB Science successfully completed two ordinary shares private placements that resulted in gross proceeds for the Company of €34 million.

A first private placement was completed on March 27, 2017, that resulted in gross proceeds for the Company of EUR 15 million. This private placement was subscribed by qualified investors and a total of 982,962 new ordinary shares were issued, through a capital increase without shareholders' preemption rights. Following an accelerated book-building process, the price of the placement was set at EUR 15.26 per new ordinary share. This price represents a 10% discount to the volume weighted average price of the last five trading days preceding the pricing date, i.e. EUR 16.95.

A second private placement was completed on March 31, 2017, that resulted in gross proceeds for the Company of EUR 19 million. This private placement was subscribed by American and European collective investment funds investing in the pharmaceutical or biotechnological sector (including AB Science's existing shareholders) and a total of 1,241,831 new ordinary shares were issued, through a capital increase without shareholders' preemption rights. Following an accelerated book-building process, the price of the placement was set at EUR 15.30 per new ordinary share. This price represents a 10% discount to the closing stock price on March 30, 2017, i.e. EUR 17.01 and a 9.68% discount to the volume weighted average price of the last five trading days preceding the pricing date, i.e. EUR 16.94.

No other event after the closing likely to have an impact on the financial position of the Company has occurred since closing.

III. 2016 and 2015 consolidated financial statements

Global Profit and Loss Account – 31.12.2016 (IFRS):

(in thousands of euros)	31.12.2016	31.12.2015
Net Revenues	1 508	2 284
Operating loss	(30 207)	(25 964)
Net loss	(27 696)	(26 716)
Global loss of Period	(27 724)	(26 807)
Net income per share – in euros	(0,78)	(0,78)
Diluted income per share - in euros	(0,78)	(0,78)

Operating Results

Operating income

(in thousands of euros)	31.12.2016	31.12.2015
Net Revenues	1 508	2 284
Other operating revenues	0	0
Total operating income	1 508	2 284

As of December 31st 2016, Operating income, consisting exclusively of sales related to the drug in veterinary medicine, amounted to 1 508 K€ against 2 284 K€ last year. This represents a decrease of 34%. This decrease is due to the end of conditional approval for masitinib in dog mast cell tumors (MCT) in the USA in December 2015, pending the validation of the ongoing confirmatory study.

Operating expenses

(in thousands of euros)	31.12.2016	31.12.2015
Cost of goods sold	453	339
Marketing costs	928	1 882
Administrative costs	2 477	2 316
R&D costs	27 856	23 711
Other operating expenses	0	0
Total operating expenses	31 714	28 248

As of 31 December 2016, operating expenses amounted to 31,714 K€, against 28,248 K€ last year, an increase of 12.3%.

As of 31 December 2016, cost of goods sold amounted to 453 K€, against 339 K€ last year, an increase of 114 K€ (33.6%). This increase comes from a booking as of 31st December 2016 of a provision for depreciation of stocks for 99 K€ due to short batches expiration date.

As of 31 December 2016, marketing costs amounted to 928 K€, against 1,882 K€ last year, a decrease of 50.7% mostly due to the US sales representatives leaving.

As of 31 December 2016, administrative expenses increased by 6.9%, from 2,316 K€ last year to 2,477 K€. This increase (161K€) is related to the booking of the penalty imposed by AMF : 200 K€.

Research and development expenses increased by 17.5%, from 23,711 K€ as of 31 December 2015, to 27,856 K€ as of 31 December 2016. This increase (4,145 K€) is due to expansion of the research and development expenses during the first half of 2016 followed by a decrease (compared to first half) of these R&D expenses in second half of 2016, as announced at the 30th June 2016 accounts closing.
This increase during first half of 2016 is mostly due to:

- ✓ Non-recurring costs related firstly to the completion of the mastocytosis study invoiced during the first half of 2016 and to the patients recruitment surge in the phase 2/3 study in ALS at the end of 2015 which has triggered an activity increase beginning of 2016.
- ✓ Fixed costs related to the initiation of new countries and clinical sites in these new countries for the last three studies launched in oncology.
- ✓ Manufacturing costs of clinical batches to be used to cover the remaining period of clinical studies.

Below the evolution of operating expenses by semester since January 1, 2015:

(in thousands of euros)	S1 2015	S2 2015	S1 2016	S2 2016
Cost of goods sold	134	205	128	325
Marketing costs	921	961	496	432
Administrative costs	1 112	1 205	1 498	979
R&D costs	11 535	12 176	14 748	13 108
Other operating expenses	0	0	0	0
Total operating expenses	13 702	14 547	16 870	14 844

Operating profit/loss

The operating loss as of 31 December 2016 amounted to 30,207 K€, against 25,964 K€ as of 31 December 2015, which represents an increase of the operating loss by 4,243 K€ (16.3%) for the reasons indicated above and in line with the loss observed as of 30 June 2016

Financial income/loss

The financial result as of 31 December 2016 is an income of 2,499 K€, against a loss of 840 K€ last year.
This 2,499 K€ profit results from:

- ✓ Financial income: 3,084 K€. Financial income is mainly related to:
  - Cash remuneration: 44 K€
  - Exchange gains: 89K€
  - Cancellation of the capitalized and accrued interests related to the bond loans converted into shares in April and December 2016, recorded in Other Financial Income : 2,712 K€
  - Default interests paid by French administration following late reimbursement of 2015 research tax credit (238 K€), recorded as other financial income

- ✓ Financial loss: 585 K€. Financial loss is mainly related to:
  - Annual interests on bonds : 53 K€
  - Capitalized interests on bonds (interests cancelled following bonds conversion) : 315 K€
  - Discounting effects : 105 K€
  - Currency effects : 67 K€

Net profit/loss

The net loss amounted, as of 31 December 2016, to 27,696 K€ against 26,716 K€ at 31 December 2015, an increase of 3.7%, for the reasons mentioned above.

IV. Consolidated balance sheet information

Assets

Given the expected sales perspectives, development costs were expensed. Fixed assets correspond essentially to the cost of registration of the Company's patents. Registration costs of the Company's patents booked as net fixed assets increased by 3.1% as of 31 December 2016, from 1,575 K€ as of 31 December 2015 to 1,624 K€ as of 31 December 2016.

Inventories amounted to 134 K€ as of 31 December 2016 as compared to 304 K€ as of 31 December 2015.

Trade receivable increased from 316 K€ at the end of 2015 to 428 K€ as of 31 December 2016.

These financial assets correspond mainly to cash instruments, the term of which is beyond 3 months. As of 31 December 2016, no financial asset has a term which is beyond 3 months.

Other current assets of the Company increased by 7,494 K€ (15,776 K€ as of 31 December 2016, against 8,282 K€ as of 31 December 2015). This increase is due to the 2015 research tax credit reimbursement in March 2017 (5,486 K€)

Cash amounts to 19,780 K€ as of 31 December 2016, compared to 15,696 K€ as of 31 December 2015.

The total cash and financial current assets amounts to 19,780 K€ as of 31 December 2016 compared to 21,703 K€ as of 31 December 2015.This cash amount does not include the 5,486 K€ (without interest) corresponding to 2015 research tax credit reimbursement in March 2017.

Liabilities

Funding used by the Company comes mainly from issue of bond loan agreements, issue of new shares with the equily line facilities (PACEO) set up with Société Générale and Crédit Agricole and various public aids (research tax credits, reimbursable advances and subsidies).

The table hereafter shows the change in the Company's equity between 31 December 2015 and 31 December 2016.

(in thousands of euros) – IFRS norms	Company Equity
Equity as of 31 December 2015	(17,259)
Capital increases and additional paid-in capital net of issuance costs	40,899
Total profit/loss over the period	(27,724)
Conversion options	(822)
Payments in shares	202
Equity as of 31 December 2016	(4,705)

As of 31 December 2016, the Company's net equity amounts at -4,705 K€.

Over the last 2 years, the main variations, except for the annual profits/losses, derived from the capital increases in 2016 and 2015 respectively for 40,899 K€ and 25,308 K€.

Current liabilities amount to 20,340 K€ as of 31 December 2016, compared to 17,612 K€ at the end of 2015, which represents an increase of 15.5%.
This increase (2,728 K€) is explained in particular by:

- increase in current accruals (220 K€) related to tax accrual recording;

- increase in trade payable (2,800 K€);
- decrease in current financial liabilities (228 K€) primarily related to bank loans reimbursement and payment of annual interests on bonds converted in December 2016;
- decrease in other current liabilities (64 K€).

Non-current liabilities (22,375 K€) mainly include conditional advances for an amount of 9,331 K€ and the part of the preference shares as well as the various warrants created for bond conversion in December 2016 considered as debt instruments for 12,358 K€. They amount to 22,7375 K€ as of 31 December 2016 against 32,225 K€ as of 31 December 2015, a decrease of 9,850 K€ due to convertible blonds conversion.

V. Foreseeable evolution of the Group's situation and future prospects

In 2017, AB Science continues to allocate most of its resources to the development of masitinib, the most advanced molecule of the Company.

Following EMA filing of both registration dossiers in 2016 in severe systemic mastocytosis and amyotrophic lateral sclerosis, EMA decision should be known in May 2017 for systemic severe mastocytosis and during the fourth quarter of 2017 for amyotrophic lateral sclerosis.

The Company also continued to invest in the activities of drug discovery to supply its portfolio of molecules and anticipates, subject to the availability of financial resources, to begin the regulatory preclinical studies of new molecules from its own research program.

Next 2017 financial appointments

Financial communication on 1st semester 2017: August 31, 2017
General Shareholders' Meeting: June 28, 2017

Find our complete 2016 financial report on www.ab-science.com

About masitinib
Masitinib is a new orally administered tyrosine kinase inhibitor that targets mast cells and macrophages, important cells for immunity, through inhibiting a limited number of kinases. Based on its unique mechanism of action, masitinib can be developed in a large number of conditions in oncology, in inflammatory diseases, and in certain diseases of the central nervous system. In oncology due to its immunotherapy effect, masitinib can have an effect on survival, alone or in combination with chemotherapy. Through its activity on mast cells and microglia and consequently the inhibition of the activation of the inflammatory process, masitinib can have an effect on the symptoms associated with some inflammatory and central nervous system diseases and the degeneration of these diseases.

About AB Science
Founded in 2001, AB Science is a pharmaceutical company specializing in the research, development and commercialization of protein kinase inhibitors (PKIs), a class of targeted proteins whose action are key in signaling pathways within cells. Our programs target only diseases with high unmet medical needs, often lethal with short term survival or rare or refractory to previous line of treatment in cancers, inflammatory diseases, and central nervous system diseases, both in humans and animal health.

AB Science has developed a proprietary portfolio of molecules and the Company's lead compound, masitinib, has already been registered for veterinary medicine in Europe and in the USA. The company is currently pursuing thirteen phase 3 studies in human medicine in metastatic prostate cancer, metastatic pancreatic cancer, relapsing metastatic colorectal cancer, relapsing metastatic ovarian cancer, GIST, metastatic melanoma expressing JM mutation of c-Kit, relapsing T-cell lymphoma, mastocytosis, severe asthma, amyotrophic lateral sclerosis, Alzheimer's disease and progressive forms of multiple sclerosis. The company is headquartered in Paris, France, and listed on Euronext Paris (ticker: AB).

Further information is available on AB Science's website: www.ab-science.com.

Forward-looking Statements - AB Science

This press release contains forward-looking statements. These statements are not historical facts. These statements include projections and estimates as well as the assumptions on which they are based, statements based on projects, objectives, intentions and expectations regarding financial results, events, operations, future services, product development and their potential or future performance.

These forward-looking statements can often be identified by the words "expect", "anticipate", "believe", "intend", "estimate" or "plan" as well as other similar terms. While AB Science believes these forward-looking statements are reasonable, investors are cautioned that these forward-looking statements are subject to numerous risks and uncertainties that are difficult to predict and generally beyond the control of AB Science and which may imply that results and actual events significantly differ from those expressed, induced or anticipated in the forward-looking information and statements. These risks and uncertainties include the uncertainties related to product development of the Company which may not be successful or to the marketing authorizations granted by competent authorities or, more generally, any factors that may affect marketing capacity of the products developed by AB Science, as well as those developed or identified in the public documents filed by AB Science with the Autorité des Marchés Financiers (AMF), including those listed in the Chapter 4 "Risk Factors" of AB Science reference document filed with the AMF on November 22, 2016, under the number R. 16-078. AB Science disclaims any obligation or undertaking to update the forward-looking information and statements, subject to the applicable regulations, in particular articles 223-1 et seq. of the AMF General Regulations.

For additional information, please contact:

AB Science
Financial Communication & Media Relations
investors@ab-science.com

FINANCIAL STATEMENTS AS OF 31 DECEMBER 2016

Assets ***(in thousands of euros)***	31/12/2016	31/12/2015
Intangible assets	1 630	1 691
Tangible assets	214	240
Non-current financial assets	48	43
Other non-current assets	0	0
Deferred tax assets	0	0
Non-current assets	1 892	1 974
Inventories	134	304
Trade receivable	428	316
Current financial assets	0	6 007
Other current assets	15 776	8 282
Cash and cash equivalent	19 780	15 696
Current assets	36 118	30 604
TOTAL ASSETS	**38 010**	**32 578**

Liabilities ***(in thousands of euros)***	31/12/2016	31/12/2015
Share capital	386	350
Additional paid-in capital	151 537	110 674
Translation reserve	(84)	(77)
Other reserves and results	(156 544)	(128 206)
Total equity attributable to equity holders of the Company	(4 705)	(17 259)
Non-controlling interests		
Total equity	(4 705)	(17 259)
Non-current provisions	686	550
Non-current financial liabilities	21 689	31 229
Other non-current liabilities	0	0
Deferred tax liabilities	0	447
Non-current liabilities	22 375	32 225
Current provisions	220	0
Trade payable	16 629	13 829
Current financial liabilities	8	236
Tax liabilities / Tax payable	0	0
Other current liabilities	3 483	3 547
Current liabilities	20 340	17 612
TOTAL EQUITY AND LIABILITIES	**38 010**	**32 578**

STATEMENT OF COMPREHENSIVE INCOME 31 DECEMBER 2016

(in thousands of euros)	31/12/2016	31/12/2015
Revenue	**1 508**	**2 284**
Other operating revenues	0	0
Total revenues	**1 508**	**2 284**
Cost of sales	(453)	(339)
Marketing expenses	(928)	(1 882)
Administrative expenses	(2 477)	(2 316)
Research and development expenses	(27 856)	(23 711)
Other operating expenses	-	-
Operating income (loss)	**(30 207)**	**(25 964)**
Financial income	3 084	530
Financial expenses	(584)	(1 370)
Financial income (loss)	**2 499**	**(840)**
Income tax expense	11	88
Net income (loss)	**(27 696)**	**(26 716)**
Other comprehensive income		
Items that will not be reclassified subsequently to net income :		
- Actuarial gains	(20)	(42)
Items that should be reclassified subsequently to net income:		
- Translation differences – Foreign operations	(8)	(48)
Other comprehensive income for the period net of tax	**(28)**	**(90)**
Total comprehensive income for the period	**(27 724)**	**(26 807)**
Net income for the period attributable to :		
- Attributable to non-controlling interests	-	-
- Attributable to equity holders of the parent Company	(27 696)	(26 716)
Comprehensive income for the period attributable to :		
- Attributable to non-controlling interests	-	-
- Attributable to equity holders of the parent Company	(27 724)	(26 807)
Basic earnings per share - in euros	(0,78)	(0,78)
Diluted earnings per share - in euros	(0,78)	(0,78)

CONSOLIDATED STATEMENT OF CASH FLOWS

(in thousands of euros)	31/12/2016	31/12/2015
Net income (loss)	(27 696)	(26 716)
- Adjustment for amortization and charges to provisions	981	72
- Adjustment for income (loss) from asset sales	0	0
- Non-cash income and expenses linked to share-based payments	202	74
- Other non-cash income and expenses	0	0
- Adjustment for income tax expense	(35)	(98)
- Adjustment for change in deferred tax	0	0
- Impact of change in working capital requirement generated by operating activities	(4 701)	2 582
- Income from interest on financial assets	(2 271)	931
- Cash flow from operations before tax and interest	**(33 520)**	**(23 155)**
- Income Tax (paid) / received	0	
Net cash flow from operating activities	**(33 520)**	**(23 155)**
Acquisitions of fixed assets	(524)	(618)
Sales of tangible and intangible assets	0	0
Acquisitions of financial assets	0	(6 000)
Proceeds from the sale and financial assets	6 000	5 981
Changes in loans and advances	0	0
Interest received / (paid)	(114)	(84)
Other cash flow related to investing activities	0	0
Net cash flow from investing activites	**5 362**	**(722)**
Dividends paid		
Capital increase (decrease)	32 393	23 620
Issue of loans and receipt of conditional advances	0	3 376
Repayments of loans and conditional advances	(144)	(571)
Other cash flows from financing activities	0	0
Net cash flow from financing activites	**32 250**	**26 425**
Effect of exchange rate fluctuations	(8)	(48)
Effect of assets held for sale	0	0
Impact of changes in accounting principles	0	0
Net increase (decrease) in cash and cash equivalents – by cash flows	**4 084**	**2 499**
Cash and cash equivalents – opening balance	15 696	13 197
Cash and cash equivalents – closing balance	19 780	15 696
Net increase / decrease in cash and cash equivalents – by change in closing balances	**4 084**	**2 499**