

2008 annual results in line with the Company's development plan

*Operating costs under control:
almost stable operating loss for revenue of €4.1million, up 62.4%*

Cash position at end-2008: €13.33 million

Luminy, March 18 2009 - IPSOGEN (Alternext - FR0010626028 - ALIPS), a cancer 'profiler' that develops, manufactures and markets molecular diagnostic tests for leukemia and breast cancer, today announces its consolidated annual results for the financial year to December 31 2008.

▪ Consolidated annual results

In € millions*	31 December 2007	31 December 2008	Δ %
Revenue	2.54	4.12	+62.4%
Revenue from Products	2.06	3.88	+88.6%
Revenue from Services	0.48	0.24	-49.9%
Other revenue (research tax credit)	0.11	0.22	+100.0%
Total operating income	2.65	4.34	+63.9%
<i>Gross margin</i>	<i>66.9%</i>	<i>71.6%</i>	
Operating expenses	3.02	4.43	+47.1%
Operating loss	-1.21	-1.27	na
Net loss	-1.31	-1.10	na

*audited data, IFRS

Annual revenue beats expectations

As previously announced, 2008 annual revenue totaled €4.12 million, versus €2.54 million the previous year, up +62.4% in actual terms and +66.1% at constant forex.

The substantial growth recorded in 2008, particularly over the second half of the year, was notably the result of the ongoing development of the range of products marketed by the Company, and in particular the buoyant growth in sales of the JAK2 test and the substantial growth in North American sales.

A significantly-improved gross margin

The gross margin improved considerably, rising from 66.9% in 2007 to 71.6% in 2008. The substantial increase in Product activity, with a gross margin of 74.3% (vs. 73.3% in 2007) was behind this increase.

Operating expenses: up by less than revenue

Tightly controlled, operating expenses at December 31 2008 totaled €4.43 million, versus €3.02 million at December 31 2007. This increase was essentially due to:

- The ongoing Research & Development work on a broader range of products: R&D costs totaled €1.36 million for the year to December 31 2008, versus €1.20 million for the previous year.
- The substantial expansion of our sales team, which more than doubled in Europe and was significantly strengthened in the United States, notably with the appointment of Susan Hertzberg as President of Ipsogen Inc. Sales & Marketing costs hence totaled €1.74 million for the year to December 31 2008, versus €0.67 million in 2007, and were higher over the second half of 2008 than over the first half, also due to the acceleration in the recruitment of sales reps over the latter half of the year.
- Administrative costs came to €1.33 million in 2008, versus €1.14 million the previous year, reflecting the Group's growth.

All in all, the +47.9% increase in operating expenses should be seen within the context of a +62.4% increase in revenue.

Cash position

In June 2008, the Company raised €11.7 million through its IPO on the Alternext by NYSE Euronext. At the same time as this operation took place, all securities giving access to the Company's capital were exercised or converted in order to provide better readability of the capital to new investors. Converting and exercising these securities resulted in the Company's shareholders' equity being increased by €4.74 M.

These capital increases allowed the Company to significantly increase its shareholders' equity from €0.6 million at end-2007 to €15.2 million at end-2008. At December 31 2008, the Company's cash situation stood at €13.3 million, giving the Company excellent visibility.

▪ 2008 key events

Beyond the success of its IPO, which is now enabling the Group to calmly implement its ambitious market plan, its official entry onto the breast cancer profiling market with the launch of the MapQuantDX test in May 2008 and the granting of CE certification for two of its JAK2 V617F kits for leukemia testing, IPSOGEN also carried out a significant number of major strategic achievements over the 2nd half of 2008:

- October 2008: IPSOGEN was granted a US patent covering its JAK2 V617F technology within the framework of a fast-track process. The speed with which this patent was granted in the US proves the solidity of the Company's intellectual property;
- October 2008: signing of a licensing agreement with Quest Diagnostics, the leading provider of diagnostic testing, information and services to patients and healthcare professionals in the US.
 - o The agreement signed between IPSOGEN SA and Quest Diagnostics concerns the utilization of the JAK2 V617F mutation in tests provided to patients and healthcare professionals.

- December 2008: launch of three new molecular diagnostic kits for leukemia.
 - o These three new kits bring the number of kits produced by the Group to 21 – including 10 that have CE certification – and thus further strengthen its leadership position in molecular diagnostics and leukemia monitoring. Moreover, IPSOGEN is thus reaffirming a development that is in line with the marketing plan presented at the time of the IPO.

Vincent FERT, CEO of IPSOGEN, says: *“IPSOGEN has recorded a very good year, with revenue beating expectations, cash spending kept under control and numerous operational successes.*

The bulk of our sales deployment was carried out from end-2008 in Europe, and we are on track to complete our recruitment in the US in early 2009.

Given our 2008 figures and the dynamism of the market segment on which we operate, we are serenely heading into 2009, a year that will see further substantial growth in activity.”

About IPSOGEN

Ipsogen, Cancer Profiler, develops and markets molecular diagnostic tests designed to map diseases in order to guide patients and oncologists decisions along their complex therapeutic path.

With more than 70 tests already used routinely worldwide for the diagnosis, prognosis and follow-up of thousands of patients with leukemia, Ipsogen is now also targeting breast cancer. Its initial goal will be to provide diagnostic information that remained unavailable until now.

Strengthened by its first-rate scientific, clinical and technological partnerships, in addition to its highly-skilled multidisciplinary team in France and the USA, Ipsogen is striving to become the leader in the molecular profiling of cancers. It is pursuing its development and promotion of diagnostic standards that have a significant impact on patients, medical professionals and society.

Ipsogen employed 48 people as of December 31, 2008. Its headquarters are located in Marseille, France. The company has also a subsidiary, Ipsogen Inc., in New Haven, CT, USA.

For more information, visit: www.ipsogen.com

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