



Press release

2011 annual financial results

2011: a key milestone in ADOCIA's development

Lyon, 2 April 2012 – ADOCIA (NYSE Euronext Paris: FR0011184241 - ADOC), a biotechnology company specialized in the development of best-in-class medicines with already approved therapeutic proteins, announces today its annual financial results for 2011. The consolidated financial statements were approved by the Board of Directors of the Company on 30 March 2012.

➤ **A strong cash position to accelerate its development**

ADOCIA has recognized EUR 1.6 million of revenues in 2011, compared to EUR 0.1 million in 2010. The completion of clinical studies lead to an increase in the burn rate at EUR 6.1 million in 2011, compared to EUR 4.5 million in 2010. Company's cash was EUR 5.9 M as of December 31, 2011 and is currently EUR 36.5 M as a result of the up-front payment received in January 2012 under the fast-acting insulin analog agreement and the funds raised with the Company's IPO in February 2012.

➤ **A strategic agreement with a major pharmaceutical group**

ADOCIA has confirmed the value of its technology BioChaperone® by signing at the end of 2011 a license and collaborative agreement with a major pharmaceutical group for the development and commercialization of a new formulation of fast-acting insulin analog.

Under the said agreement, ADOCIA has already received an up-front payment in the amount of USD 10 M (EUR 7.6 M). Additional milestone payments up to USD 156 M are also set depending on the achievement of predefined milestones. Moreover, ADOCIA is entitled to receive incremental royalties on net sales of the product.

➤ **Promising clinical results for the development of its products**

In 2011 ADOCIA has successfully completed two phases I and IIa clinical studies for diabetes treatment with its fast-acting human insulin, HinsBet®. Clinical development will be pursued with an optimized formulation of HinsBet®, which should be tested in a new phase IIa study during the fourth quarter of 2012.

ADOCIA has also completed a phase I/II clinical study on its BioChaperone® PDGF-BB spray for the healing of diabetic foot ulcer. This study intends to demonstrate the "non-inferiority" of the BioChaperone® PDGF-BB spray compared to Regranex®, gold standard treatment for this pathology. The results of this study will be published in the coming weeks.

Gérard Soula, Chairman and CEO of ADOCIA, makes the following statement: *"I am very proud of the key achievements of ADOCIA in 2011. ADOCIA today has sufficient resources to implement its strategy: strengthen clinical results already obtained, ensure the success of its first licence agreement and negotiate new partnerships on its products".*

Valérie Danaguezian, Chief Administration and Financial Officer of ADOCIA, further states: *"With EUR 36.5 M, ADOCIA has now a very strong cash position, which enables to consolidate its organization and accelerate its growth while keeping its burn rate under control".*

Key financial information

- 2011 **operating revenues** are increasing by more than 75% compared to 2010. This increase mainly results from research and collaboration agreements with major pharmaceutical companies, in particular for the formulation of monoclonal antibodies.

Moreover, the up-front payment of USD 10 M (EUR 7.6 M), which is amortized over the anticipated duration of the clinical development program, has been partly recognized in 2011.

- Operating expenses** amounted to EUR 9.7 M in 2011 versus EUR 6.7 M in 2010. More than 85% of these expenses are research and development expenses and reflect increasing efforts on the various projects of the portfolio.
- The 2011 **net income** is a loss of EUR 6.4 M.

The table below contains the main income statement items:

<i>In EUR thousands (IFRS)</i>	2011	2010
Revenues	1,551	111
Other income	2,236	2,036
Operating revenues	3,788	2,147
Research & Development expenses	(8,568)	(5,927)
General and administrative costs	(1,294)	(857)
Operating income - (loss)	(6,074)	(4,637)
Financial income	(64)	(94)
Income tax	(315)	-
Net income - (loss)	(6,453)	(4,731)

Recent events

In March 2012, OSEO agreed to grant ADOCIA a new reimbursable loan of EUR 800,000 to support the development of HinsBet®.

In February 2012, ADOCIA reported Phase IIa clinical results on its fast-acting human insulin, HinsBet®. These results on diabetic patients confirm phase I results.

On 20 February 2012, ADOCIA IPO was successfully completed on the regulated market of NYSE Euronext in Paris (compartment C); ADOCIA being the first company listed this year in Paris. ADOCIA issued 1,723,066 new shares, i.e. 27.87% of its capital, at a price of EUR 15.88 per share, after full exercise of the extension clause and partial exercise of the over-allotment option. The company raised a total of EUR 27.4 M, which will permit in particular to finance new clinical studies.

Perspectives

Over the next few months, ADOCIA intends to pursue its innovation efforts and to accelerate its development, with the completion of new clinical studies aimed at validating the proof of concept of innovative formulations developed by the Company, based on its BioChaperone® technological platform:

- Launch of a phase III study in Q3 2012 in India for the treatment of the diabetic foot ulcer with the PDGF-BB growth factor,
- Launch of a phase I study in Q3 2012 for the treatment of diabetes with fast-acting and slow-acting combo insulins,
- Launch of a second phase IIa study in Q4 2012 for the treatment of diabetes with a fast-acting human insulin.

Next scheduled appointments

ADOCIA will participate to the 7th edition of the European Smallcap Event, which will take place on 12 and 13 April, 2012 in Paris. Each year, the European Smallcap Event brings together, during two days, listed companies and European institutional investors, in one-to-one meetings, workshops and group presentations.

- April 26, 2012: 2012 Q1 revenues
- June 15, 2012: General Meeting of Shareholders
- September 10, 2012: 2012 half year results
- October 30, 2012: 2012 Q3 revenues

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About ADOCIA

"Innovative medicine for everyone, everywhere"

ADOCIA is a biotechnology company specialized in the development of best-in-class medicines with already approved therapeutic proteins.

ADOCIA is specialized in insulin therapy and the treatment of the diabetic foot ulcer, one of the main complications of diabetes. Worldwide, more than 366 million individuals are currently suffering from diabetes (with a forecast of 552 million individuals by 2030, i.e. a 51% increase, reaching 70% in emerging countries). 15% of these patients will develop a foot ulcer during their lifetime. The markets targeted by ADOCIA represent more than USD 20 billion (USD 17 billion for insulin therapy and USD 3 billion for diabetic foot ulcer healing).

Through its BioChaperone[®] state-of-the-art technological platform, Adocia enhances the effectiveness and safety of therapeutic proteins and their ease of use for patients, with the aim of making these medicines accessible to the broadest public.

ADOCIA successfully completed two phases I and II studies on the formulation of a fast-acting human insulin and obtained promising phase I/II results on a diabetic foot ulcer healing product. Adocia also confirmed the value of its technology for the formulation of a fast-acting insulin analog by signing an exclusive worldwide license agreement with a major pharmaceutical company. Furthermore, Adocia is developing a unique combination of fast-acting insulin and slow-acting insulin, for an optimal insulin therapy with one single product.

To be a global leader for the formulation of therapeutic proteins

Based on its experience and recognised know-how, ADOCIA has extended its activities to the formulation of monoclonal antibodies, which are gold standard molecules for the treatment of numerous chronic pathologies (oncology, inflammation, etc.). In this field, ADOCIA is engaged in collaborative programs with two major pharmaceutical companies.

ADOCIA's therapeutic innovations aim at bringing solutions to a profoundly changing global pharmaceutical and economic context, characterised in particular by the increased prevalence and impact of the targeted pathologies, population growth and ageing, the need to control public health expenditures and increasing demand from emerging countries.

ADOCIA is listed on the regulated market of NYSE Euronext in Paris (ISIN Code: FR0011184241, mnemonic code / Reuters / Bloomberg: ADOC, ADOC.PA, ADOC.FP), and its share is included in the Next Biotech index.

For more information: www.adocia.com

Disclaimer

This press release contains certain forward-looking statements concerning ADOCIA and its business. Such forward-looking statements are based on assumptions that ADOCIA considers to be reasonable. However, there can be no assurance that the estimates contained in such forward-looking statements will be verified, which estimates are subject to numerous risks including the risks set forth in the "Risk Factors" sections of the prospectus registered by the Autorité des marchés financiers on January 25, 2012 under number 12-034 (a copy of which is available on www.adocia.com) and to the development of economic conditions, financial markets and the markets in which ADOCIA operates. The forward-looking statements contained in this press release are also subject to risks not yet known to ADOCIA or not currently considered material by ADOCIA. The occurrence of all or part of such risks could cause actual results, financial conditions, performance or achievements of ADOCIA to be materially different from such forward-looking statements.

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