This is a free translation into English of Adocia' 2014 interim financial report issued in the French language for informational purposes only

Interim financial report as of June 30, 2014

A French *société anonyme* (corporation) with €621,187.60 in share capital
Registered office: 115, avenue Lacassagne, 69003 Lyon

Lyon Trade and Companies Registry no. 487 647 737

CONTENTS

1. RESPONSIBILITY STATEMENT IN RESPECT OF THE INTERIM FINANCIAL REPORT

I hereby certify that, to my knowledge, the condensed financial statements for the six months ended June 30, 2014 have been prepared in accordance with applicable accounting standards and give a true and fair view of the company's assets and liabilities, financial position and income, and that the accompanying interim management report gives a true and fair view of the significant events of the first six months of the year, their impact on the financial statements, major related-party transactions and a description of the major risks and uncertainties for the remaining six months of the year.

Gérard Soula

Chairman and Chief Executive Officer of Adocia

1. Responsibility statement in respect of the interim financial report
2. Interim management report
3. 2014 interim financial reporting under IFRS
4. Statutory auditors' report on the 2014 interim financial reporting

ADOCIA

A French *société anonyme* (corporation) with €621,187.60 in share capital
Registered office: 115 avenue Lacassagne - 69003 Lyon
Lyon Trade and Companies Registry no. 487 647 737

INTERIM MANAGEMENT REPORT

Fiscal year ended June 30, 2014

1.1. Significant events of the first half of 2014:

The first months of 2014 were highlighted by a high activity and by the announcement of major results, the company collecting the benefits of the investments made in 2013.

First, on the scientific front, the company announced two exciting clinical results:

- The first one was on its BioChaperone Combo product, a unique combination of basal insulin glargine and fast Lispro insulin, which demonstrated both a rapid onset and a long duration of action in type 1 diabetic patients. BioChaperone Combo presents a statistical improvement in the control of blood glucose in the short and the long term versus the commercial product premix Humalog Mix

- The second one was on its ultra-fast BioChaperone Lispro's insulin, which proved to be more rapid with type 1 diabetic patients, with a 30% more rapid onset of action and a 69% greater early metabolic effect compared to Humalog.

With its major results, the company has continued to develop its products and has prepared two new studies which will be launched in the third quarter: a Phase 2 clinical study dose-response on ultra-fast BioChaperone Lispro's insulin and a Phase 2 clinical study on fast-acting human insulin Hinsbet.

Finally, the company announced positive pre-clinical results on a ultra-fast concentrated Lispro BioChaperone U300 insulin. This fourth product based on insulin developed by Adocia would be the first formulation of concentrated ultra-fast action and could meet the needs of diabetic patients who require large doses of insulin.

The company with its product for the treatment of diabetic foot ulcers is still expecting a response from the Indian Regulatory Authority to launch its Phase III clinical trial in India.

On the financial front, the company has increased its visibility in the financial community, by confirming its eligibility to the tax operation PEA-PME and establishing an ADR (American Deposit Receipt) program for the US market.

This high activity and the different announcements have had an impact on the stock market of the Adocia share price which experienced a strong growth in the first half of 2014: the stock exchange which has closed at €5.96 at the end of 2013 went up to more than €16.95 in June to close at €14.15 on June 30. This increase was joined by an increase in the average trading volume which is of 48,000 shares (compared to 5,000 shares per day on average in 2013).

1.2. Events subsequent to June 30, 2014:

None.

1.3. Comments on the interim financial statements:

The company results as of June 30, 2014 reflect :

- **A sound financial position :** With the payment in June of EUR 3.2 million granted under the French research and development tax credit (Crédit d'Impôt Recherche) the Company reported cash and cash equivalents at June 30, 2014 of EUR 15.9 million. The Company's burnt rate was EUR 3.5 million for the first six months of 2014.

- **An operational loss of EUR 5.6 million** for the first half of 2014 compared to EUR 4.6 million for 2013 semester :
  - **Operational expenses** are relatively flat at EUR 7.4 million compared with the same period last year: the increase in the clinical expenses for the first half have been balanced by the decrease of the preclinical and subcontracting expenses,
  - **Operational income** of EUR 1.9 million represents a decrease of 32% compared with the same period in 2013, reflecting the decrease of revenue. On June 30, 2013, the licensing revenues recorded in the Profit and Loss account resulted from the agreement signed in 2011 with Eli Lilly and terminated in July 2013.

The table below summarizes the interim financial statements prepared for the six-month periods ended June 30, 2014 and June 30, 2013:

In € thousands	**06/30/2014**	**06/30/2013**
Operating revenue	**1 874**	**2 739**
Research and development expenses	(6 607)	(6 460)
General and administrative expenses	(826)	(926)
Operating expenses	**(7 433)**	**(7 386)**
Operating income (loss)	**(5 559)**	**(4 647)**
Financial income	14	25
Net income (loss)	**(5 545)**	**(4 622)**
Average number of shares (in thousands)	6 212	6 203
Net earnings per share (in €)	(0,9)	(0,7)

Operating income

The following table provides details on operating income for each period:

In € thousands IFRS	06/30/2014	06/30/2013
Research and cooperation agreements	*186*	*(47)*
Income from licenses		*952*
Revenue (a)	186	905
Grants, public financing and research tax credits (b)	1 688	1 834
Operating income (a)+(b)	**1 874**	**2 739**

Operating revenues for the first half of 2014 ended June 30 have decreased by 32% compared with those reported during the same period in 2013.

- Revenue totaling EUR 0.2 million as of June 30, 2014 is essentially resulting from on-going research and collaborative contracts related to the formulation of monoclonal antibodies. For the same period, last year, on the same period, revenue was EUR 0.9 million due to the amortization of the initial up-front payment received under the contract signed with Eli Lilly in December 2011 and terminated in July 2013.

- The other operating revenues products are mainly constituted by the tax credit research for a total amount of approximately EUR 1.7 million compared with approximately EUR 1.8 million as of the first half in 2013. They are in line with the level of the research and development expenses eligible over the period concerned.

Operating expenses

In € thousands IFRS	06/30/2014	06/30/2013
Research and development expenses	(6 607)	(6 460)
General and administrative expenses	(826)	(926)
Operating Expenses	**(7 433)**	**(7 386)**

- Operating expenses at EUR 7.4 million recorded in the first half were flat compared with those reported last year.

- Nearly 89% of operational expenses are related to research and development expenses and reflects the continuation of strong R&D activities and tight control of general and administrative and other overhead activity.

  - External expenses, which represent nearly 52% of the total of operating expenses were flat compared with last year's same period: the decrease in preclinical and subcontracting expenses was offset by the increase in the clinical expenses (+ EUR 1.2 million) and reflected the development and the maturity of Adocia's pipeline.

  - Wages and salaries represent the second significant area of expenses and represented 40% of the total of the operating expenses, compared with 39% of total operating expenses for the first half of 2013.

Balance sheet items

In € thousands IFRS	**06/30/2013**	**31/12/2013**
Cash and cash equivalents	**15 929**	**19 415**
Assets	19 845	24 729
Equity	**13 881**	**19 130**
Financial debts	**2 393**	**2 317**

- As of June 30, 2014, cash and cash equivalents totaled EUR 15.9 million, compared with EUR 19.4 million as of December 31, 2013.

- Shareholder's equity decreased from EUR 19 million at the end of December 2013 to EUR 13.9 million at the end of June 2014, mainly reflecting the loss reported for the first six months of 2014.

- Financial debts, amounting to EUR 2.4 million at the end of June 2014, mainly concern the repayment of advances received from the French Agency for innovation (Oséo) about osteoporosis and insulin projects.

1.4. Risks and uncertainties relating to the company's activities in the first half of the year:

The risk factors affecting the company are presented in Chapter 4 of the registration document filed with the *Autorité des marchés financiers* (AMF) and available on the company's website: www.adocia.com. There were no new risk factors for the first half of 2014.

1.5. Relations with related parties:

Relations with related parties during the period are presented in the notes to the interim financial reporting prepared under IAS 34 below (Part 5).

1. Responsibility statement in respect of the interim financial report
2. Interim management report
3. 2014 interim financial reporting under IFRS
4. Statutory auditors’ report on the 2014 interim financial reporting

French *société anonyme* (corporation) with €621,328.60 in share capital
Registered office: 115 avenue Lacassagne, 69003 Lyon

Period: January 1 to June 30, 2014

STATEMENT OF FINANCIAL POSITION ASSETS - (in € thousands)	**Notes**	**06/30/2014**	**12/31/2013**
Intangible assets		1	3
Laboratory equipment	4.1	534	528
Other property, plant and equipment	4.1	464	418
Financial assets	4.5	263	244
NON-CURRENT ASSETS		**1 262**	**1 194**
Inventories		109	124
Trade and similar receivables	4.3	139	2
Other current assets	4.4	2 406	3 993
Cash and cash equivalents		15 929	19 415
CURRENT ASSETS		**18 583**	**23 535**
**** GRAND TOTAL ****		**19 845**	**24 729**

STATEMENT OF FINANCIAL POSITION LIABILITIES - (in € thousands)	**Notes**	**06/30/2014**	**12/31/2013**
Share capital		621	621
Share premium		49 031	48 810
Group reserves		(30 226)	(26 008)
Group net profit/loss		(5 545)	(4 293)
NON-CONTROLLING INTERESTS			
EQUITY	4.6	**13 881**	**19 130**
Long-term financial debt	4.7	687	1 814
Long-term provisions	4.8	312	252
NON-CURRENT LIABILITIES		**999**	**2 066**
Short-term financial debt	4.7	1 571	420
Other current financial liabilities	4.7	133	83
Trade and similar payables	4.9	2 055	1 784
Other current liabilities	4.9	1 205	1 245
CURRENT LIABILITIES		**4 964**	**3 532**
**** GRAND TOTAL ****		**19 845**	**24 729**

STATEMENT OF COMPREHENSIVE INCOME (in € thousands)	Notes	06/30/2014	30/06/2013
Revenue	4.11	186	905
Other income	4.12	1 688	1 834
Total income		**1 874**	**2 739**
Operating expenses excluding additions and reversals	4.13	(7 298)	(7 149)
Additions to and reversals of depreciation,	4.15	(136)	(238)
PROFIT/LOSS FROM ORDINARY OPERATING ACTIVITIES		**(5 559)**	**(4 647)**
Other operating income and expenses		0	0
PROFIT/LOSS FROM ORDINARY OPERATING ACTIVITIES		**(5 559)**	**(4 647)**
Financial income		51	71
Financial expense		(37)	(46)
FINANCIAL INCOME/EXPENSE	4.16	**14**	**25**
PROFIT/LOSS BEFORE TAX		**(5 545)**	**(4 622)**
Tax expense		0	
NET PROFIT/LOSS		**(5 545)**	**(4 622)**
Non-controlling interests		0	
GROUP NET PROFIT/LOSS		**(5 545)**	**(4 622)**
Base earnings per share (€)	4.17	(0,9)	(1)
Diluted earnings per share (€)		(0,9)	(1)
GROUP NET PROFIT/LOSS		**(5 545)**	**(4 622)**
Other comprehensive income		0	
TOTAL PROFIT/LOSS FOR THE YEAR		**(5 545)**	**(4 622)**

CHANGES IN EQUITY (in € thousands)		Number of shares	Capital	Additional paid-in capital	Reserves and profit	Group total equity
	12/31/2012	**6 197 876**	**619**	**48 498**	**(26 090)**	**23 028**
Profit/loss for the period						
Capital increase						
Share-based payments		11 200	1	(1)	(2)	11 198
Other comprehensive income						
Capital increase expenses						
Other						309
	06/30/2013	**6 211 876**	**621**	**48 811**	**(30 302)**	**19 129**
Profit/loss for the period					(4 293)	(4 293)
Capital increase						
Share-based payments		14 000	1	(1)	86	86
Other comprehensive income						
Capital increase expenses						
Other				314	(5)	309
	12/31/2013	**6 211 876**	**621**	**48 811**	**(30 302)**	**19 129**
Profit/loss for the period					(5 545)	(5 545)
Capital increase						
Share-based payments		1 400	0	(0)	61	61
Other comprehensive income						
Capital increase expenses						
Other				221	15	236
	06/30/2014	**6 213 276**	**621**	**49 031**	**(35 771)**	**13 881**

STATEMENT OF CASH FLOWS (in € thousands)	06/30/2014	06/30/2013
Net profit/loss	**(5 545)**	**(4 622)**
Net depreciation, amortization & provisions (excl. current assets)	201	229
Capital gains and losses on non-current assets	(26)	
Calculated income and expenses	169	43
Cash flow from operations after cost of net financial debt and tax	**(5 200)**	**(4 349)**
Cost of net financial debt	0	
Tax expense (including deferred taxes)	0	
Cash flow from operations before cost of net financial debt and tax	**(5 200)**	**(4 349)**
Taxes paid	0	
Change in working capital requirement (including employee benefits)	**1 750**	**7 160**
NET CASH FLOW GENERATED BY OPERATING ACTIVITIES	**(3 450)**	**2 811**
Acquisitions of property, plant and equipment & intangible assets	(262)	(103)
Disposals of property, plant and equipment & intangible assets	26	
Acquisitions of non-current financial assets	0	
Disposals of non-current financial assets	0	
Other cash flows related to investing activities	202	400
NET CASH FLOW RELATED TO INVESTING ACTIVITIES	**(34)**	**297**
Capital increase	0	
New loans and reimbursable advances	0	
Repayments of loans and reimbursable advances	0	(400)
Net financial interest paid	0	
Other cash flows related to financing activities	0	
NET CASH FLOW RELATED TO FINANCING ACTIVITIES	**0**	**(400)**
	0	
CHANGE IN NET CASH AND CASH EQUIVALENTS	**(3 484)**	**2 708**
Opening cash	19 415	30 462
Closing cash	15 929	22 814

Components of net cash and cash equivalents analyzed by type and reconciliation with the balance sheet:

NET CASH AND CASH EQUIVALENTS (in € thousands)	06/30/2014	12/31/2013
Short-term investment securities (due in < 3 months)	13 934	15 765
Cash on hand	1 996	3 650
Net cash and cash equivalents	**15 929**	**19 415**

NOTES TO THE FINANCIAL STATEMENTS AS OF JUNE 30, 2014

Unless otherwise specified, the amounts presented in these notes are in € thousands

1. PRESENTATION OF BUSINESS ACTIVITY AND MAJOR EVENTS

1.1. INFORMATION ABOUT THE COMPANY AND ITS ACTIVITY

Adocia is a corporation (*société anonyme*) formed under French law on December 22, 2005.
It focuses on the research and development of innovative products for the treatment of chronic diseases.
The company has been listed on NYSE Euronext (compartment C) since February 20, 2012.

Adocia's condensed financial statements under IFRS for the period from January 1 to June 30, 2014 were approved for publication by the board of directors on July 23, 2014.

1.2. EVENTS SUBSEQUENT TO THE REPORTING PERIOD

None.

2. ACCOUNTING METHODS AND PRINCIPLES USED TO DRAW UP THE FINANCIAL STATEMENTS

2.1. PRINCIPLES USED TO DRAW UP THE FINANCIAL STATEMENTS

Declaration of compliance

In accordance with EU regulation 1606/2002 of July 19, 2002 on international standards, Adocia's interim financial statements for the period ended June 30, 2013 were prepared according to the standards and interpretations published by the International Accounting Standards Board (IASB) and adopted by the European Union as of the reporting date.

These standards, available on the website of the European Commission (http://ec.europa.eu/internal_market/accounting/ias_fr.htm), include the international accounting standards (IAS and IFRS) and the interpretations of the Standing Interpretations Committee (SIC) and the IFRS Interpretations Committee (IFRIC).

Principles used to prepare the financial statements

The interim financial statements were prepared in accordance with international financial reporting standard IAS 34 (condensed interim financial reporting).
They do not include all the information and notes as presented in the year-end financial statements.
They should therefore be read in conjunction with the company's financial statements for the year ended December 31, 2013, which are available at www.adocia.com.

Going concern

The going concern assumption was used given the company's financial ability (available cash assets) to meet its financing requirements over the next 12 months.

Accounting principles and methods

The accounting principles and methods used by the company for the interim financial statements are the same as those used in the financial statements for the year ended December 31, 2013.

In addition, the new mandatory texts applicable to fiscal years beginning on January 1, 2013 are as follows:

Standards, amendments to standards and interpretations applicable since January 1, 2013:

- IFRS 10 – Consolidated financial statements (applicable to fiscal years beginning on or after January, 2014) – Replaces IAS 27 « Consolidated and separate financial statements » and SIC 12 « Consolidated - special purpose entities ». The standard provides a model where the consolidation of an entity is based on the exclusive concept of control and supplies guidance – in situations where it is difficult to assess the control;
- IFRS 11 – Joint arrangements (applicable to fiscal years beginning on or after January, 2014) – replaces IAS 31: the recognition of partnerships has to be based on the substance of agreements and mainly on rights analysis and legal obligations that result.

These new standards are not being developed as part of the interim financial reporting since the impacts are considered immaterial.

New standards, amendments and interpretations applicable at a later date and adopted by the European Union:

- IFRIC 21 – Levies (applicable to fiscal years beginning on or after June 17, 2014) – Recognition of a liability under a right or tax charged.

The company has not applied these interpretations in advance. None is expected to have a material impact on the financial statements.

2.2. USE OF JUDGMENTS AND ESTIMATES

To prepare the financial statements in accordance with IFRS, certain estimates, judgments and assumptions have been made by the company's management, which may have affected the amounts shown for the assets, liabilities and contingent liabilities as of the date of preparation of the financial statements, and the amounts shown for income and expenses during the year.

These estimates are based on the going concern assumption and on the information available at the time they were made. They are assessed continuously based on past experience and various other factors deemed reasonable which form the basis of the estimates of the carrying amount of the assets and liabilities. The estimates may be revised if the circumstances on which they were based change or as a result of new information. Actual results may differ significantly from these estimates based on different assumptions or conditions.

In preparing these interim financial statements, the main judgments made by management and the main assumptions used are the same as those used to prepare the financial statements for the fiscal year ended December 31, 2013.

3. SIGNIFICANT EVENTS

The first months of 2014 were highlighted by a high activity and by the announcement of major results, the company collecting the benefits of the investments made in 2013.

First, on the scientific front, the company announced two exciting clinical results:

- The first one was on its BioChaperone Combo product, a unique combination of basal insulin glargine and fast Lispro insulin, which demonstrated both a rapid onset and a long duration of action in type 1 diabetic patients. BioChaperone Combo presents a statistical improvement in the control of blood glucose in the short and the long term versus the commercial product premix Humalog Mix

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With its major results, the company has continued to develop its products and has prepared two new studies which will be launched in the third quarter: a Phase 2 clinical study dose-response on ultra-fast BioChaperone Lispro's insulin and a Phase 2 clinical study on fast-acting human insulin Hinsbet.

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The company with its product for the treatment of diabetic foot ulcers is still expecting a response from the Indian Regulatory Authority to launch its Phase III clinical trial in India.

On the financial front, the company has increased its visibility in the financial community, by confirming its eligibility to the tax operation PEA-PME and establishing an ADR (American Deposit Receipt) program for the US market.

This high activity and the different announcements have had an impact on the stock market of the Adocia share price which experienced a strong growth in the first half of 2014: the stock exchange which has closed at €5.96 at the end of 2013 went up to more than €16.95 in June to close at €14.15 on June 30. This increase was joined by an increase in the average trading volume which is of 48,000 shares (compared to 5,000 shares per day on average in 2013).

4. ADDITIONAL INFORMATION REGARDING CERTAIN BALANCE SHEET AND INCOME STATEMENT ITEMS

4.1. PROPERTY, PLANT AND EQUIPMENT

GROSS AMOUNT (in € thousands)	Laboratory equipment	Fixtures and facilities	Furniture, office equipment	Total
Total value at December 31, 2013	**1 623**	**670**	**558**	**2 852**
Acquisitions	101	2	106	210
Disposals	0	0	(1)	(1)
Total value at June 30, 2014	**1 724**	**673**	**664**	**3 061**

DEPRECIATION AND IMPAIRMENT (in € thousands)	Laboratory equipment	Fixtures and facilities	Furniture, office equipment	Total
Total value at December 31, 2013	**1 094**	**368**	**443**	**1 905**
Additions	96	24	39	158
Reversals/Disposals	0	0	0	0
Total value at June 30, 2014	**1 190**	**392**	**481**	**2 063**

NET AMOUNT (in € thousands)	Laboratory equipment	Fixtures and facilities	Furniture, office equipment	Total
Total value at December 31, 2013	**529**	**302**	**116**	**947**
Total value at June 30, 2014	**534**	**281**	**183**	**998**

The company owns two assets financed through leasing with an acquisition cost of K€72 for the first and K€85 for the second, financed for 3 and 4 years.

4.2. ADDITIONAL INFORMATION REGARDING DEFERRED TAXES

On the basis of the same rules as those of December 31, 2013, the company did not recognize any deferred tax assets as of June 30, 2014.

4.3. RECEIVABLES

TRADE RECEIVABLES (in € thousands)	06/30/2014	12/31/2013
Gross amount	139	2
Impairment		
Total net value	**139**	**2**

All receivables are not yet due.

4.4. OTHER CURRENT ASSETS

OTHER CURRENT ASSETS (in € thousands)	06/30/2014	12/31/2013
Research tax credit	1 686	3 214
VAT claims	322	244
Receivables from suppliers	94	269
Pre-paid expenses	234	250
Miscellaneous	70	17
Total other current assets	**2 406**	**3 993**

All other current assets are due in less than one year.

As of June 30, 2014, the research tax credit is estimated on the basis of research expenses incurred as of that date and eligible for the research tax credit.

Pre-paid expenses relate to current expenses.

The miscellaneous item includes social security claims and other receivables.

4.5. CLASSIFICATION AND FAIR VALUE OF FINANCIAL ASSETS

The only financial assets measured at fair value are cash and cash equivalents, which include money market mutual funds in euros, time accounts quoted in an active market and interest-bearing accounts. They therefore constitute level 1 financial asset at fair value.

4.6. EQUITY

For easier cross-reference between periods, the number of shares has been restated to reflect the decision by the shareholders’ meeting on October 24, 2011 to approve a 10-for-1 stock split and to grant 10 shares, each with a par value of €0.10, for a previously held share with a par value of €1.

Share capital

The company was created on December 22, 2005.

	Number of shares (*)	Ordinary shares	Preferred shares - category A	Preferred shares - category B	Nominal amount (euros)
At January 1, 2007	**140 000**			**140 000**	**1 400 000**
10/19/2007 - Capital increase	93 339		93 339		933 390
12/20/2007 - Capital increase	46 668		46 668		466 680
10/22/2009 - Reduction of par value					-2 520 063
10/22/2009 - Capital increase	119 007		119 007		119 007
01/20/2010 - Grant of bonus shares	1 050	1 050			1 050
04/06/2010 - Capital increase	5 424		5 424		5 424
06/06/2010 - Grant of bonus shares	140	140			140
06/18/2010 - Capital increase	1 283		1 283		1 283
12/10/2010 - Capital increase	37 630		37 630		37 630
03/04/2011 - Grant of bonus shares	1 050	1 050			1 050
06/17/2011 - Grant of bonus shares	140	140			140
10/24/2011 - Reduction of par value	4 011 579	21 420	2 730 159	1 260 000	0
12/15/2011 - Grant of bonus shares	1 400	1 400			140
02/14/2012 - Issue of IPO shares	1 592 798	1 592 798			159 280
02/14/2012 - Conversion of preferred shares to ordinary shares		4 433 510	-3 033 510	-1 400 000	0
03/07/2012 - Grant of bonus shares	10 500	10 500			1 050
03/17/2012 - Issue of IPO shares	130 268	130 268			13 027
06/15/2012 - Grant of bonus shares	2 800	2 800			280
12/19/2012 - Grant of bonus shares	2 800	2 800			280
03/26/2013 - Grant of bonus shares	8 400	8 400			840
06/18/2013 - Grant of bonus shares	2 800	2 800			280
12/13/2013 - Grant of bonus shares	2 800	2 800			280
04/02/2014 - Grant of bonus shares	1 400	1 400			140
At June 30, 2014	**6 213 276**	**6 213 276**	**0**	**0**	**621 328**

All the shares issued are fully paid-up.

The company owns treasury shares under its liquidity agreement.

Following the initial public offering, preferred shares were converted into ordinary shares and the Ratchet stock warrants became null and void.

Stock warrants

At December 13, 2013 and in accordance with the authorization granted by the extraordinary shareholder's meeting on June 18, 2013, the board of directors decided to issue 20.000 stock warrants to independent directors, raising the number of stock warrants issued to 20.210.
The totality of stock warrants was subscribed in January 2014.

The main characteristics of the stock warrants and the principal assumptions used to measure the fair value of the options based on the Black-Sholes model are as follows:

situation at 06/30/2014	BSPCE$_{12\text{-}2013}$ Plan No. 1	BSPCE$_{12\text{-}2013}$ Plan No. 2	BSA$_{12\text{-}2013}$
Recipients	employees	employees	independent directors
Number of warrants issued	28 000	22 400	20 000
Number of warrants granted	28 000	22 400	20 000
Number of warrants subscribed	28 000	22 400	20 000
Date of shareholders' meeting	06/18/2013		
Date of Board of Directors' meeting	12/13/2013		
Issue price	free		0,588 €
Strike price	5,76 €		5,88 €
Deadline to exercise warrants	12/13/2023		
Start date to exercise options	1/4: Jan. 1, 2014 1/4: Jan. 1, 2015 1/4: Jan. 1, 2016 1/4: Jan. 1, 2017	1/4: Jan. 1, 2015 1/4: Jan. 1, 2016 1/4: Jan. 1, 2017 1/4: Jan. 1, 2018	13,333 on Jan. 1, 2014 3,333 on Jan. 1, 2015 3,333 on Jan. 1, 2016
Parity	One warrant for one share		
Dividend yield	none		
Volatility	67%		
Risk-free rate of return	2% (iBoxx Sovereign AA 7-10)		

Start-up company stock purchase warrants

In accordance with the authorization granted by the company's ordinary and extraordinary shareholders' meeting on June 18, 2013, at its meeting on December 13, 2013 the board of directors decided to issue, free of charge, a total of 50.400 BSPCE to certain company employees which give a right to subscribe for 50.400 new shares, each with a par value of €0.10.

The main characteristics of the stock purchase warrants and the principal assumptions used to measure the fair value of the options based on the Black-Sholes model are detailed in the above table.

The totality of the start-up company stock purchase warrants has been subscribed

Bonus shares

Date of shareholders' meeting / Type	No. of rights granted	No. of shares issued	No. of rights canceled	Maximum number of shares to be issued
01/20/2008 - Bonus shares	42 000	(39 900)	(2 100)	
06/06/2008 - Bonus shares	11 200	(5 600)	(5 600)	
12/15/2009 - Bonus shares	5 600	(2 800)		2 800
03/05/2010 - Bonus shares	5 600	(2 800)		2 800
12/07/2010 - Bonus shares	5 600	(1 400)		4 200
At June 30, 2013	**70 000**	**(52 500)**	**(7 700)**	**9 800**

During the first half year 2014, the following transactions have occurred:

- Issuance of 1.400 shares, the vesting periods were matured and the conditions of allocation respected,
- No new allocation of bonus shares ,
- 5.600 bonus shared allocated are still not yet exercised.

Compensation in the form of bonus shares

BONUS SHARES - Date of ESM decision	20/12/2007				20/12/2007				20/12/2007			
Date of grant by the Board of Directors	01/23/2008				06/06/2008				12/15/2009			
Number of vesting years	2	3	4	5	2	3	4	5	2	3	4	5
Performance condition	No	No	No	No	No	No	No	No	No	No	No	No
Total number of bonus shares granted	10 500	10 500	10 500	10 500	1 400	1 400	1 400	1 400	1 400	1 400	1 400	1 400
Share value on grant date (euros)	8,57	8,57	8,57	8,57	8,57	8,57	8,57	8,57	8,57	8,57	8,57	8,57
Fair value of a bonus share (euros)	8,57	8,57	8,57	8,57	8,57	8,57	8,57	8,57	8,57	8,57	8,57	8,57
Initial valuation (€ thousands)	90	90	90	90	12	12	12	12	12	12	12	12
Number of bonus shares to be issued at 12/31/2012	-	-	-	**10 500**	-	-	-	**1 400**	-	-	**1 400**	**1 400**
Number of bonus shares granted												
Number of bonus shares canceled				(2 100)								
Number of bonus shares definitively granted				(8 400)				(1 400)			(1 400)	
Number of bonus shares to be issued at 12/31/2013	-	-	-	-	-	-	-		-	-		**1 400**
Number of bonus shares granted												
Number of bonus shares canceled												
Number of bonus shares definitively granted												
Number of bonus shares to be issued at 06/30/2014												**1 400**
June 2013 accounting expenses (€ thousands)		-17				1				4		
June 2014 accounting expenses (€ thousands)		0				0				1		

BONUS SHARES - Date of ESM decision	20/12/2007				20/12/2007				Total
Date of grant by the Board of Directors	03/05/2010				12/07/2010				
Number of vesting years	2	3	4	5	2	3	4	5	
Performance condition	No	No	No	No	No	No	No	No	
Total number of bonus shares granted	1 400	1 400	1 400	1 400	1 400	1 400	1 400	1 400	64 400
Share value on grant date (euros)	8,57	8,57	8,57	8,57	8,57	8,57	8,57	8,57	
Fair value of a bonus share (euros)	8,57	8,57	8,57	8,57	8,57	8,57	8,57	8,57	
Initial valuation (€ thousands)	12	12	12	12	12	12	12	12	552
Number of bonus shares to be issued at 12/31/2012	-	**1 400**	**1 400**	**1 400**	-	**1 400**	**1 400**	**1 400**	**23 100**
Number of bonus shares granted									0
Number of bonus shares canceled									-2 100
Number of bonus shares definitively granted		-1 400				-1 400			-14 000
Number of bonus shares to be issued at 12/31/2013	-	-	**1 400**	**1 400**	-		**1 400**	**1 400**	**7 000**
Number of bonus shares granted									0
Number of bonus shares canceled									0
Number of bonus shares definitively granted			-1 400						-1 400
Number of bonus shares to be issued at 06/30/2014				**1 400**			**1 400**	**1 400**	**5 600**
June 2013 accounting expenses (€ thousands)		3				6			-2
June 2014 accounting expenses (€ thousands)		2				4			7

Dividends

There was no decision on a dividend distribution in the first half of 2014.

Capital management

The company's policy is to maintain a solid capital base and promote the liquidity of transactions in order to safeguard investor and creditor confidence and support future business development.

To this end, a liquidity agreement was signed in March 2012 with Banque BIL (now called DSF Market). This agreement was suspended on April 23, 2013 and reactivated on June 25, 2013 with a €0.4 million decrease in the amount of resources allocated. It was cancelled on April 30, 2014. At that moment 15.026 treasury shares and K€502 were reported in the contract.

In May 2014, the company mandated to the Kepler Capital Markets SA company the management of this liquidity agreement with the following resources allocated: K€300 and 15.026 treasury shares.
As of June 30, 2014, under this agreement 18.075 treasury shares were recognized as a deduction from equity and cash in the amount of K€200 was recorded as short-term financial assets.

4.7. FINANCIAL DEBT

FINANCIAL DEBT (in € thousands)	Current	Non-current	Total	Bank overdrafts
Reimbursable advances	1 571	687	2 259	
Other financial debt	133		133	0
Total financial debt	**1 705**	**687**	**2 392**	**0**

Reimbursable advances:

REIMBURSABLE ADVANCES	(in € thousands)	Historical cost	
Value at December 31, 2013	**2 234**	**2 441**	(A)
	-0		
Grant during the year	0		
Repayment during the year	0		
Discount on grant during the year	0		
Financial expenses	24		
Value at June 30, 2014	**2 259**	**2 441**	(B)
Long-term portion	687		
Short-term portion	1 571		

As part of the osteoporosis project, the company signed an agreement with Oséo on March 12, 2007 under which it received a reimbursable advance totaling €2,250,000 for the development of a new system for local controlled release of growth factors for bone regeneration. After fulfilling all the technical and financial conditions, the company received the full amount of this assistance in 2010.

As stipulated in the agreement, the company repaid the first installment of €300,000 on April 5, 2012 and the second installment of €400,000 on April 2, 2013. The terms of the agreement stipulated a minimum repayment of the fixed sum of €700,000.

During March 2014, the company submitted a claim for the program failure and provided a complete report requesting the recognition of the program's technical and commercial failure. Following this request and the instruction start by BpiFrance, the company has been informed that all payments relative to this advance were suspended until March 2015. In the first half of 2014, scientific and financial reviews were conducted by experts commissioned by BpiFrance.

The case investigation should be completed before the end of this year and should enable to status on the €1,550,000 outstanding advance which will be repayable only if the BPI France recognizes the technical and/or commercial success of the financed project. In case of failure program recognition, this advance will be registered as grant.

As part of its insulin project, the company signed an agreement with Oséo on April 25, 2012, under which it received a reimbursable advance of €800,000 for the development of a fast-acting human insulin formulation, including the launch of a phase IIa clinical trial.
After fulfilling all the technical and financial conditions, the company received the full amount of this reimbursable assistance on April 30, 2012.

In the event of technical and/or commercial success, the advance will be repayable in full in accordance with a defined payment schedule.

In the event of technical and/or commercial failure, the terms of the agreement stipulated the repayment of the fixed sum of €280,000, of which €130,000 in 2017 and €150,000 in 2018.

The fair value of the new advance received was determined based on a 3% annual interest rate.

As part of its business development in new markets (India and China), the company signed a business development agreement with Coface (French insurance company for foreign trade) on October 26, 2012 in return for the payment of a premium equivalent to 2% of the annual budget.
Under the terms of the agreement, Coface guarantees the reimbursement of 75% of the expenses incurred during the four-year guarantee period, which runs from October 1, 2012 to September 30, 2016.
The company agreed to repay the sums received from Coface according to the Terms and Conditions set out in the agreement during an amortization period that runs until September 30, 2021.

The sums repaid will first be deducted, by the same amount, from the amount of the advance granted for the first guarantee period and then for the following periods, it being understood that such repayments:

- are limited in time (repayment of the advance over a period ending on September 30, 2021),
- will not exceed the principal amount of the total advance received.

For the expenses incurred during the first insured period, i.e. from October 1, 2012 to September 30, 2013, the company received the sum of €91,000 on December 17, 2013.

Breakdown of advances by historical cost

(B) in € thousands	12/31/2013	Less than 1 year	1 to 5 years	More than 5 years
Osteoporosis advance	1 550	450	1 100	
Insulin advance (2012)	800	0	280	520
Coface advance (2013)	91		91	

(B) in € thousands	06/30/2014	Less than 1 year	1 to 5 years	More than 5 years
Osteoporosis advance	1 550	1 550	0	0
Insulin advance (2012)	800	0	280	520
Coface advance (2013)	91	0	91	0

Other financial debt

Other financial debt relates to two lease financing commitment for an amount of €16,000 made in year 2013 and 2014, of which €21,000 was repaid during the period.

4.8. PROVISIONS

PROVISIONS (in € thousands)	Employee benefits	Other long-term provisions	Provisions for risks and charges - less than one year	Total
Value at December 31, 2013	**252**			**252**
Additions	60			60
Reversal of used provisions				
Reversal of unused provisions				
Value at June 30, 2014	**312**			**312**

4.9. TRADE PAYABLES AND OTHER CURRENT LIABILITIES

The company's current liabilities are as follows:

(in € thousands)	06/30/2014	12/31/2013
Subsidiary accounts	968	1 105
Notes payable	0	
Invoices pending	1 086	678
Trade payables	**2 055**	**1 784**
Customer credit balances	0	
Tax and social security liabilities	1 205	1 245
Other debt	0	0
Unearned income	0	0
Other current liabilities	**1 205**	**1 245**
TOTAL CURRENT OPERATING LIABILITIES	**3 260**	**3 029**

All trade payables and other current liabilities are payable within less than one year.

The "Other tax and social security liabilities" line includes accrued tax and social security expenses.

4.10. OPERATING PROFIT/LOSS

INCOME STATEMENT (in € thousands)	Notes	06/30/2014	30/06/2013
Research agreements and license revenue	4.11	186	905
Grants, public financing and research tax	4.12	1 688	1 834
Income		**1 874**	**2 739**
Cost of goods sold		(403)	(366)
Payroll expense	4.14	(3 004)	(2 866)
External charges	4.13	(3 847)	(3 869)
Taxes		(43)	(48)
Depreciation, amortization & provisions	4.15	(161)	(238)
Other current operating income and		25	
Operating expenses		**(7 433)**	**(7 386)**
PROFIT/LOSS FROM ORDINARY OPERATING		**(5 559)**	**(4 647)**
Non-recurring operating income and expenses		**0**	
PROFIT/LOSS FROM OPERATING ACTIVITIES		**(5 559)**	**(4 647)**

Breakdown of expenses by function:

EXPENSES BY FUNCTION (in € thousands)	**06/30/2014**	**30/06/2013**
Research and development costs	(6 607)	(6 460)
Administrative costs	(826)	(926)
Operating expenses	**(7 433)**	**(7 386)**

Research and development costs are as follows:

RESEARCH AND DEVELOPMENT COSTS (in € thousands)	**06/30/2014**	**30/06/2013**
Cost of goods sold	(395)	(341)
Payroll expense	(2 464)	(2 350)
External charges	(3 607)	(3 536)
Taxes	(35)	(39)
Depreciation, amortization & provisions	(107)	(195)
Total research and development costs	**(6 607)**	**(6 460)**

4.11. REVENUE

REVENUE (in € thousands)	**06/30/2014**	**30/06/2013**
Research agreements	186	(47)
License revenue	0	952
Other		
Total	**186**	**905**

Revenue consists of two research agreements related to the formulations of monoclonal antibody.

4.12. OTHER INCOME

OTHER INCOME (in € thousands)	**06/30/2014**	**30/06/2013**
Project financing	0	0
Research tax credit	1 686	1 830
Other	2	4
Total	**1 688**	**1 834**

4.13. OTHER PURCHASES AND EXTERNAL CHARGES

These are mainly in-vivo studies, clinical trials, lease payments and all the company's operating expenses.

4.14. PAYROLL EXPENSE

Payroll expense is as follows:

PAYROLL EXPENSE (in € thousands)	06/30/2014	30/06/2013
Wages and salaries	2 120	1 998
Social contributions	885	868
Total payroll expense	**3 004**	**2 866**

STAFF	06/30/2014	30/06/2013
Technicians	37	36
Management personnel	40	35
Total employees	**77**	**71**

At June 30, 2014, the company had 28 postdoctoral researchers.
Over 80% of employees are assigned directly to research and development activities.

4.15. DEPRECIATION, AMORTIZATION AND IMPAIRMENT LOSSES

Net depreciation, amortization and provisions are as follows:

DEPRECIATION, AMORTIZATION AND IMPAIRMENT (in € thousands)	06/30/2014	30/06/2013
Depreciation of property, plant and equipment	138	212
Amortization of intangible assets		
Depreciation of leased assets	23	11
Depreciation, amortization and provisions for fixed assets	**161**	**223**
Provisions for risks and charges (additions)		15
Provisions for current assets (additions)		
Reversals		
Additions to/Reversals of Depreciation, Amortization and Provisions	**161**	**238**

4.16. FINANCIAL INCOME/EXPENSE

The cost of net financial debt is as follows:

FINANCIAL INCOME/EXPENSE (in € thousands)	06/30/2014	30/06/2013
Cash and cash equivalents income	51	71
Interest on conditional advances	(27)	(46)
Cost of net financial debt	**24**	**25**
Foreign exchange gains and losses	0	
Other financial income and expenses	(11)	
FINANCIAL INCOME/EXPENSE	**14**	**25**

4.17. EARNINGS PER SHARE

	06/30/2014	30/06/2013
Consolidated net profit/loss (in € thousands)	**(5 545)**	**(4 622)**
Average number of shares	6 212 564	6 205 961
Net earnings per share (in euros)	**(0,9)**	**(0,7)**

Equity instruments outstanding are not included in the calculation of earnings per share since they are considered anti-dilutive given the company’s losses over previous fiscal years.

5. RELATED PARTIES AND COMPENSATION OF THE CORPORATE OFFICERS

The amount of director’s fees allocated to members of the board of director has been approved by the board of Director’s meeting held on June 18, 2013 and is for a maximum amount of €70,000 per year. It remains unchanged for the fiscal year.

The amount allocated for the first half of 2014 was therefore €20,000.

Compensation paid to the management and supervisory bodies is as follows:

(in € thousands)	06/30/2014	30/06/2013
Fixed gross compensation	181	175
Variable gross compensation	90	80
Exceptional gross compensation	0	100
Benefits in kind	4	4
Directors' fees	20	21
TOTAL	**295**	**380**

6. OFF-BALANCE SHEET COMMITMENTS

Commercial lease with Grand-Lyon:

The company's head office is located to 115, avenue Lacassagne, 69003 in Lyon, on two floors in a building of business incubation center dedicated to biotechnology company, with a total surface of 2.032m^2.
The company also signed a rental agreement for parking spaces which has been effected for October 13, 2011.
Rental fees (excluding the rental charges) are amounted to €173,000 and the provisions for property charges represent an additional €171,000 for the first half year.

1. Responsibility statement in respect of the interim financial report

2. Interim management report

3. 2013 interim financial reporting under IFRS

4. Statutory auditors' report on the 2013 interim financial reporting

1. Adocia

1.1 PERIOD FROM JANUARY 1 TO JUNE 30, 2014

Statutory auditors' report on the interim financial reporting

ODICEO
115, boulevard Stalingrad
C.S. 52038
69616 Villeurbanne Cedex
Corporation with €275,000 in share capital

Statutory Auditor
Member of the Compagnie
Régionale de Lyon

ERNST & YOUNG et Autres
Tour Oxygène
10-12, boulevard Marius Vivier Merle
69393 Lyon Cedex 03
Simplified joint stock company with variable capital

Statutory Auditor
Member of the Compagnie
Régionale de Versailles

Adocia

PERIOD FROM JANUARY 1 TO JUNE 30, 2014

Statutory auditors' report on the interim financial reporting

Dear Shareholders,

Pursuant to the mission entrusted to us by your shareholders' meetings, and in application of Article L.451-1-2 III of the French Monetary and Financial Code (*Code monétaire et financier*), we have:

- performed a review of the accompanying condensed interim financial statements of Adocia for the period from January 1 to June 30, 2014;
- verified the information provided in the interim management report.

These condensed interim financial statements were prepared under the responsibility of the board of directors. It is our task, on the basis of our review, to express a conclusion on these financial statements.

1. Conclusion on the financial statements

We have conducted our review in accordance with the accounting standards applicable in France. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim financial statements are not prepared in all material respects in accordance with IAS 34, a standard of the IFRS as adopted by the European Union applicable to interim financial reporting.

2. Specific verification

We also verified the information provided in the interim management report in respect of the condensed interim financial statements subject to our review.

We have no observation to make as to its fairness and consistency with the condensed interim financial statements.

Villeurbanne and Lyon, July 24, 2014

The Statutory Auditors

ODICEO	ERNST & YOUNG et Autres
Sylvain Boccon-Gibod	Sylvain Lauria