



GENOMICS | GENETICS | R&D | DIAGNOSTIC TESTS

First half 2017 results

- Sales of products and services up 141% to €657 thousand
- Growth driven by strong trends in LSR market: +179% to €590 thousand
 - Cash position of €2.9 million at June 30, 2017
- A further €8.5 million available in the form of convertible notes with warrants

Bagneux (France) - Genomic Vision (FR0011799907 – GV), the pioneer of molecular combing technology for life sciences research (LSR) applications and in-vitro diagnostics (IVD), announced today its 2017 first-half financial results to June 30, 2017¹.

First-half 2017 results

<i>(in € thousands – IFRS)</i>	H1 2017	H1 2016
Revenue from R&D collaboration with Quest Diagnostics	150	154
Product sales & services	657	273
<i>Of which: life sciences research (LSR)</i>	590	208
<i>Of which: in-vitro diagnostics (IVD)</i>	77	62
Total revenue from sales	817	426
Other revenue	696	847
Total revenue from activity	1,513	1,273
Net current operating expenses (excluding share-based payments)	6,234	5,293
Current operating income before share-based payments²	-4 709	-4 020
Expenses relating to share-based payments	-211	-
Other operating income and expenses	-594	-
Operating loss	-5,514	-4,020
Net loss	-5,516	-3,984

¹ Financial statements have been subject to limited review by the company's auditors and were reviewed by the Supervisory Board on July 25, 2017.

² Current operating income before share-based payments is defined and presented in Note 14, Segment Information, to the interim financial statements to June 30, 2017, which will be available online within the regulatory period.

Sales of products and services rose 141%, to €657 thousand, in the first half of 2017, including:

- €590 thousand in the LSR market (179% higher than in the first half of 2016);
- €77 thousand from sales of FSHD testing in France and royalties from Quest Diagnostics, which distributes this test in the USA (24% higher than in the first half of 2016).

This strong performance is the result of sales growth of 238%, to €540 thousand, in the second quarter of 2017. It was driven in particular by solid trends in the LSR market (up 297% to €496 thousand), with the sale of 2 new FiberVision® combing platforms over this period.

Total revenue from sales over the first half of 2017 grew by 89% to €817 thousand and included €150 thousand in R&D revenue, which equals to the pro rata temporis recognition of license payments by Quest Diagnostics over the year (an amount identical to that in the first half of 2016).

After taking into account other revenue of €696 thousand from tax credits (research tax credit, innovation tax credit, competitiveness and employment tax credit) and R&D subsidies, **total revenue from activity** for the first half of 2017 equalled €1.5 million, an 18% increase on the first half of 2016.

Net current operating expenses (excluding share-based payments) rose by 18% to €6.2 million, including the following major items in addition to the cost of sales:

- €2.4 million in R&D expenses, down 18% within the framework of cost control and refocus on higher added value projects. These expenses are in line with the ongoing clinical trials of IVD products and the targeted development of new services and tools for the LSR market.
- €1.8 million associated with sales and marketing expenses (up 72%), reflecting the investment made in the Genomic Vision sales teams in 2016, continuing in the first half of 2017, to cover the pharmaceuticals industry, genome editing companies, academic and life sciences research centers and key clinical centers in IVD.
- €1.5 million in general expenses (up 14%), mainly reflecting an increase in depreciation charges relating to investments that came into service in 2016.

The current operating loss before share-based payments was €4.7 million at June 30, 2017, compared with €4 million a year earlier.

After including a total of €805 thousand in share-based payments and other operating expenses, mainly corresponding to non-recurring costs linked to the rationalization of specific departments and the operating costs' reduction initiatives, the **operating loss** was €5.5 million at June 30, 2017, compared with €4 million at June 30, 2017. The net loss was €5.4 million in the first half of 2017, compared with €4 million in the same period in 2016.

At June 30, 2017, Genomic Vision had 53 employees, compared with 62 a year earlier.

Financial structure at June 30, 2017

At June 30, 2017, Genomic Vision had cash and cash equivalents of €2.9 million, compared with €6.9 million at December 31, 2016. This figure, which includes €1.5 million from the drawdown of three tranches of convertible notes with warrants over the period, reflects a net cash burn of €5.5 million over the period, which was slightly affected by the first payments relating to non-recurring rationalization

costs. Given the €8.5 million in additional financing available in the form of convertible notes with warrants, the expected reimbursement of €1.4 million in research and innovation tax credits for 2016 and the measures taken during the second quarter of 2017 to reduce operating expenses, with effects to be seen in the second half of the year, Genomic Vision has the necessary resources to continue, for the next 12 months, its targeted expansion in the replication markets for the pharmaceutical industry, safety control in genome editing and the sale of molecular combing equipment and services for academic research, while continuing to step up the marketing of its innovative IVD diagnostic solutions.

Frédéric Tarbouriech, CFO of Genomic Vision, commented: *“The strong sales performance in the 2nd quarter of 2017 reflects the good reception of our products by the research market, and the continued investment in our sales teams is now producing encouraging initial results. In order to maintain our momentum in the LSR and IVD markets, we have taken measures to reduce our operating expenses and focus our financial resources on specific value creating projects in these segments, key to our future growth.”*

First-half 2017 highlights

Life Sciences Research Market

Technological cooperation with AstraZeneca

Genomic Vision has signed a technological cooperation agreement with AstraZeneca as part of its research into new cancer treatments. Genomic Vision’s FiberVision® molecular combing platform will be used to evaluate the role of WEE1 tyrosine kinase inhibitors on cancer cells and study the repair of damage to DNA.

Distribution agreement with APG Bio Ltd of China

The company has reached a commercial agreement with APG Bio Ltd, a leader in the field of genomics in Asia, which will distribute Genomic Vision’s solutions and services to research laboratories in China, Hong Kong and Macao.

Launch of “GV Store” e-commerce platform

At the end of the 1st half of 2017, Genomic Vision launched its GV Store e-commerce platform, to enable international clients to order and pay online for products, notably consumables, and research services. Given that Genomic Vision generates 90% of its sales in international markets, this platform represents a particularly effective support to the Sales and Marketing teams and will facilitate the deployment of molecular combing in the research laboratory market segment, whilst optimizing administrative processing.

IVD Portfolio

On May 10, 2017, Genomic Vision organized a first R&D Day focused on IVD, attended by its longstanding industrial partner, Quest Diagnostics, and a panel of academic partners to review its latest developments in in-vitro diagnostics (a video of the event is available on the company’s website: <http://www.genomicvision.com/company/about-us/news-events/rd-day>).

Human papilloma virus (HPV)

Genomic Vision has presented the initial results of its clinical trial with its cervical cancer screening test (HPV test), conducted on 600 patients in the Czech Republic. Interim analysis of 126 patients has demonstrated that the inclusion of 14 high-risk strains of HPV (HPV-HR) detected by molecular combing

may offer a relevant indicator on the progress of pre-cancerous lesions and their degree of severity. Full results are expected towards the end of 2017, with those from the IDAHO trial, conducted concurrently in France, due within the next 18 months.

Ovarian and breast cancer (BRCA)

The BRCA 1000 study, conducted by Genomic Vision on the basis of DNA samples supplied by Quest Diagnostics, is ongoing. Results, expected in 2018, will shape Quest Diagnostics' strategic decisions regarding this test, in a market context where the analysis of susceptibility to hereditary breast cancers is no longer based solely on the BRCA1 and BRCA2 genes but on a panel of more than 30 genes.

Spinal muscular atrophy (SMA)

Quest Diagnostics and Genomic Vision are continuing their analysis to identify new biomarkers that will allow the detection of healthy carriers of this devastating form of muscular atrophy. The first results of this study should be available before the end of 2017.

Recent events

Adoption of molecular combing by the Cologne Center for Genomics (CCG)

After several months of testing of the FiberVision® platform, CCG, a European center of excellence in genetic research based in Cologne (Germany), has decided to adopt molecular combing. The department, headed by Professor Nürnberg, will use this technology to identify new biomarkers in complex genetic disorders. The Cologne team is particularly interested in Factor H mutations with a view to assessing the risk associated with transplanting a kidney to patients suffering from Hemolytic Uremic Syndrome.

Aaron Bensimon, Genomic Vision's co-founder and Chairman, added: *"Efforts to increase revenue generation were stepped up over the first half, as reflected in the launch of our online site and our distribution agreement for the Chinese market. This should result in the sale of platforms and further cooperation agreements over the rest of this year. Over the first half we have entered the pharmaceutical market, with an initial technological collaboration with AstraZeneca in oncology. This represents a real recognition for molecular combing, which has also been adopted by the Cologne Center for Genetics. These types of agreements help build the reputation of our technology as a robust tool for DNA analysis, with multiple and highly promising applications in both structural and functional genomics, for leaders of the pharmaceutical industry, biotechnology companies and fundamental research institutions."*

Next publication:

- Revenue 3rd quarter 2017: Tuesday October 24, 2017

ABOUT GENOMIC VISION

GENOMIC VISION is a company specialized in the development of diagnostic solutions for the early detection of cancers and serious genetic diseases and tools for life sciences research. Through the DNA Molecular Combing, a strong technology allowing to identify genetic abnormalities, GENOMIC VISION stimulates the R&D productivity of the pharmaceutical companies, the leaders of the diagnostic industry and the research labs. The Company develops a robust portfolio of diagnostic tests (breast, ovarian and colorectal cancers, myopathies) and analysis tools (DNA replication, biomarkers discovery, gene editing quality control). Based near Paris, in Bagneux, the Company has approximately 60 employees. GENOMIC VISION is a public listed company listed in compartment C of Euronext's regulated market in Paris (Euronext: GV - ISIN: FR0011799907). For further information, please visit www.genomicvision.com

CONTACTS**Genomic Vision**

Aaron Bensimon
Co-founder, Chairman & CEO
Tel.: +33 1 49 08 07 50
investisseurs@genomicvision.com

Milestones

Press Relations
Bruno Arabian
Tel.: +33 1 83 62 34 84
barabian@milestones.fr

NewCap

Investor Relations
Dušan Orešanský / Emmanuel Huynh
Tel.: +33 1 44 71 94 92
gv@newcap.eu



Member of **CAC® Mid & Small** and **CAC® All-Tradable**
indexes

FORWARD LOOKING STATEMENT

This press release contains implicitly or explicitly certain forward-looking statements concerning Genomic Vision and its business. Such forward-looking statements are based on assumptions that Genomic Vision considers to be reasonable. However, there can be no assurance that such forward-looking statements will be verified, which statements are subject to numerous risks, including the risks set forth in the “Risk Factors” section in its Document de Reference filed with the French Autorité des Marchés Financiers (AMF) on March 28, 2017, under number R.17-009, available on the web site of Genomic Vision (www.genomicvision.com) and to the development of economic conditions, financial markets and the markets in which Genomic Vision operates. The forward-looking statements contained in this press release are also subject to risks not yet known to Genomic Vision or not currently considered material by Genomic Vision. The occurrence of all or part of such risks could cause actual results, financial conditions, performance or achievements of Genomic Vision to be materially different from such forward-looking statements.

This press release and the information contained herein do not constitute and should not be construed as an offer or an invitation to sell or subscribe, or the solicitation of any order or invitation to purchase or subscribe for Genomic Vision shares in any country. The distribution of this press release in certain countries may be a breach of applicable laws. The persons in possession of this press release must inquire about any local restrictions and comply with these restrictions.