



Press release

2014 Half-year results

- Reduced operating loss
- Strong cash: €12.6m
- New key stage in biodegradation achieved

Clermont-Ferrand, 30 September 2014 – [Carbios](#) (Alternext Paris: ALCRB), an innovative green chemistry company specializing in breakthrough technologies dedicated to the recovery of plastic waste and the production of bio-polymers, today presents its first half results for the period ending 30 June 2014, approved by the Board of Directors on 30 September 2014.

Jean-Claude Lumaret, CEO of Carbios, explains: “We continued to build the structure of the company during the first half of this year. The installation of our technological platform, strengthening of our Board of Directors with two prominent members of the chemical industry, and continuing research and development efforts have given us the resources to realise our pre-industrial development objectives. We have also achieved a significant new stage in the development of our controlled plastic biodegradation process, by making an entirely biodegradable plastic material in domestic conditions, which begins our build up to industrialisation and will help us to introduce licensing agreements.”

A structure-building first half

Technological platform installed on Carbios premises

The company has transferred its head office to new premises at the Clermont-Limagne Biopôle, and now has its own technological platform dedicated to engineering and managing its bioprocesses. Two thirds of the 650 square metres are devoted to R&D and will contain the equipment needed for the pre-industrial development of the company's processes.

Intellectual property enhanced

During the first half of 2014, Carbios enhanced its intellectual property and expanded its patent portfolio with the filing of a new application covering plastic recycling. Carbios now has nine families, of which two are in the form of exclusive worldwide licences and seven directly owned.

Board of Directors strengthened

To support its industrial strategy, the company has strengthened its Board of Directors with the arrival of two new independent Board members, Pascal Juéry and Dominique Even. These appointments were approved by the shareholders on June 5 2014, during the company's annual general meeting. Dominique Even is a graduate of the Ecole Nationale Supérieure de Chimie in Rennes and the Centre de Perfectionnement aux Affaires of HEC Paris. With experience as Production Director at Hoechst Marion Roussel, Aventis Pharma SA and Sanofi, he has been a member of the board of directors of the Fondation de la Chimie since 2012. Pascal Juéry is a graduate of ESCP Europe and has held a number of positions with Rhodia Novacare. After the group's merger with Solvay, he became the chairman of Solvay Essential Chemicals. Pascal Juéry joined the executive committee of Solvay in January 2014.

New key stage in the biodegradation process achieved

Carbios has achieved a significant new stage in the development of its controlled biodegradation process for flexible disposable plastics. With its established partner, VALAGRO (which, with CNRS, owns the patent application), the company has obtained an entirely biodegradable plastic material in domestic conditions. This plastic material issued from an oil-based industrial polymer and an enzyme loses 50% of its mass in 15 days and completely biodegrades in less than three months. This result is obtained through an innovative process and underlines the fact that Carbios' technology is an effective industrial answer to address regulatory developments to improve control of the end-of-life of disposable and short life plastics

2014 Half-year results

In the first half of 2014, Carbios reduced its operating loss by €319,000 compared with the first half of 2013, to a loss of €1,630,000.

(€'000)	30 June	30 June
	2014	2013
	(6 months)	(6 months)
Operating revenue	299	423
Operating expense	1,929	2,372
<i>Research and development expense</i>	1,310	1,917
<i>General and administrative expense</i>	619	455
Operating loss	-1,630	-1,949
Net financial income	25	2
Ordinary loss before tax	-1,605	-1,947
Exceptional income	6	5
Income tax (research tax credit)	-582	-863
Net loss for the year	-1,016	-1,079

To 30 June 2014, operating revenue amounted to €299,000 compared with €423,000 to 30 June 2013, and came mainly from subsidies provided by BPI France on achievement of each key stage of the Thanaplast™ collaborative programme. Carbios finalised the second key stage of the project on schedule, confirming the effectiveness and potential of the bioprocesses developed by the company.

During the first half of 2014, the Company's efforts were focused in particular on the investments needed to set up the technological platform at the Saint-Beauzire site. In line with the schedule set up with BPI France under the OSEO-ISI project, the Company bore €1,310,000 of research and development expense in the first half to progress the Thanaplast™ project, compared with €1,917,000 to 30 June 2013.

After recognising tax income of €582,000 in research tax credit (CIR), the net loss for the first half of 2014 amounted to €1,016,000 compared with a loss of €1,079,000 in the first half of 2013.

At 30 June 2014, the company had 9 employees, mainly consisting of researchers.

Cash burn limited to €2m in the first half: strong net cash of €12.6m

Carbios has a strong balance sheet, with €12.6 million of cash at the end of June 2014, compared with €14.6 million at 31 December 2013. Total cash burn over the period amounted to €2 million or about €0.3 million per month.

About Carbios

Carbios is a young innovative green chemistry company, whose mission is to find biological solutions to the environmental and sustainable development issues faced by industrial businesses today. Carbios acquired the rights to research that was conducted over a number of years by various public and private sector laboratories. By leveraging the unique properties of biological catalysts (enzymes), it has used this research as the foundation for developing innovative industrial bioprocesses that optimize the technical, economic and environmental performance of polymers (thermoplastic materials and synthetic or food-based fibers). The company has focused its efforts on a strategic application sector: plastics. Carbios' growth strategy is based on a clear business model of industrial value creation that targets attractive markets, develops innovative and competitive bioprocesses and licenses them to major industrial stakeholders for commercialization. Carbios benefits from the financial support of the leading European venture capital firm Truffle Capital. Carbios was founded in 2011 and, since its inception, has been managed via the *Holding Incubatrice Chimie Verte* fund. Carbios was granted the label "Young Innovative Company" by BPI France (former OSEO) and is eligible for investments by private equity mutual funds (FCPIs).

For more information, please visit: www.carbios.fr

Carbios is eligible for the PEA-PME, a government program allowing French residents investing in SMEs to benefit from income tax rebates.



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