

## Results for the first half of 2009

*Buoyant growth in activity: +111%*

*Another half of significant achievements:  
strengthening of the product portfolio and  
record sales growth in the United States*

**Marseille, 18 September 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 half-year results for its first half to 30 June 2009.

### Consolidated half-year results – IFRS

(in thousands of euros)*	30 June 2009	30 June 2008 restated*	Δ %
<b>Revenue</b>	<b>3,271</b>	<b>1,552</b>	<b>+111%</b>
products	3,155	1,445	+118%
services	116	107	+8%
other (research tax credit)	267	222	+20%
<b>Total operating income</b>	<b>3,538</b>	<b>1,774</b>	<b>+99%</b>
Operating expenses	4,214	2,439	+73%
<b>Operating loss</b>	<b>- 676</b>	<b>- 666</b>	<b>n/a</b>
<b>Net loss</b>	<b>- 657</b>	<b>- 871</b>	<b>n/a</b>

\* The comparative income statement at 30 June 2008 takes into account the effect of the change in the accounting method (IAS 38 amendment).

As announced on 31 August 2009, revenue for the first half of 2009 was up 111% compared to the same period of 2008. Products sales, which represent over 96% of Group revenues, made a substantial contribution to this doubling in growth, as this activity grew by 118% compared to the same period of the previous year. To be noted, the JAK2 test, for which the company has a strong intellectual property position, again recorded buoyant sales growth. In the mean time, IPSOGEN confirmed the strength of its activity in the United States, with 50% of first-half sales recorded with North American clients.

Operating expenses came to 4.2 million euros, up 73% on the first half of 2008. In agreement with companies' projections due to the announced strengthening of its commercial operations, Sales & Marketing costs totaled 1.6 million euros over the period, versus 0.7 million euros a year earlier. IPSOGEN has a workforce of 20 people in Sales & Marketing as at 30 June 2009, versus 8 as at 30 June 2008. The strengthening of the sales team has enabled the Group to pursue the very buoyant growth of its leukemia activity.

Research & Development spending increased by 54% compared to the first half of 2008, reaching 1.1 million euros over the first half of 2009. This increase reflects the increase of the Company's efforts to develop new products. Administrative costs were limited to 0.7 million euros over the half.

IPSOGEN therefore published an operating loss of 0.7 million euros, almost stable on the operating loss reported for the first half of 2008.

Once a slightly positive 2009 financial income is taken into account, IPSOGEN reduced its net loss: over the first 6 months of the year, the loss was thus -0.7 million euros compared to -0.9 million euros for the first half of 2008.

## **Key events over the first half of 2009**

### **Strong scientific and commercial development**

#### **Leukemia: strengthening of the product portfolio and commercial partnerships**

All in all, 9 new references were commercialized over the first half, bringing the total to 80 references covering 15 biomarkers, thus consolidating the Company's leadership position in personalized medicine of leukemia. The Company is actively pursuing the development of its product portfolio and is studying numerous opportunities to acquire the licensing rights for biomarkers discovered by the most renowned research centers.

In Europe, IPSOGEN announced the CE certification and commercial launch of a WT1 kit and a more comprehensive version of a JAK2 kit for screening. These regulatory statuses make it possible to better meet the needs of hospitals and laboratories and facilitate the Company's commercial action.

In the United States, IPSOGEN signed a number of licensing agreements allowing additional services laboratories to access the analysis of the JAK2 V617F mutation. Licenses were signed with three additional companies, including the ARUP laboratory. Thanks to this network of 6 commercial partners, the Company now has access to a significant market share for the JAK2 screening application in North America.

#### **Breast cancer: major breakthroughs that reaffirm the medical value and coherence of the product portfolio**

The Genomic Grade is now included in the St Gallen Consensus recommendations for the treatment of breast cancer. In an international publication, the panel of international experts who meet in St Gallen indicated that the Genomic Grade could be considered as an adjunct to the Histological Grade. These recommendations endorse the positioning of IPSOGEN's test as a major decisional aid when classic pathology techniques are inconclusive, which happens for between 40 and 50% of tumors.

In addition to its Genomic tests for Tumor Grade and HER2 overexpression tests, the Company launched a new test that helps guide hormone therapy prescription for breast cancer, the MapQuant Dx™ Genomic HR test. The Company has thus significantly strengthened the consistency of its product portfolio for the therapeutic treatment of breast cancer.

The signing of a collaboration agreement with the *Institut Curie* (Paris), leading French centre for treating breast cancer, will make it possible to extend the data available on major tests, histological and genomic, that are useful in treating breast cancer, for a wide range of patients. This collaboration is another step towards the adoption of the Company's innovative diagnosis tests in daily clinical practice.

### **Record penetration of the American market**

With 50% of its activity recorded in the United States, IPSOGEN has seen another record increase in its US sales. This result demonstrates the relevance of its business model, which is based on a combination of direct product sales to hospitals and sales partnerships through sublicensing agreements with leading North American laboratories.

### **Strengthened financial structure**

IPSOGEN announced, on 15 June 2009, that it had raised 2.5 million Euros through a capital increase carried out within the framework of the law reducing wealth tax (TEPA act). This capital increase took the Company's available or invested cash to 14.4 million euros at 30 June 2009. The Company's financial debt is 1.2 million euros, a level in line with the investments carried out in opening new production capacities.

### **Managerial organization being consolidated**

The Company, aware of the challenges associated with its international development, will strengthen its management team through the recruitment of an Administrative and Financial Director with substantial international experience and who will contribute to the Company's strategy.

### **2009 outlook**

For FY 2009, IPSOGEN anticipates similar sales growth to that recorded in 2008.

Vincent FERT, CEO of IPSOGEN, says: *"We have recorded an excellent first half of 2009, not only for our activity but also for the fine tuning of our expenses. Due to our good visibility we anticipate that 2009 will demonstrate strong growth allowing the company to enter 2010 in good conditions."*

*Backed by these facts and by the good visibility we have on our markets, in 2009 we anticipate further buoyant annual growth and the maintaining of our gross margin at a high level."*

### **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 60 people as of June 30, 2009. Its headquarters are located in Marseille, France. The company has also a subsidiary, Ipsogen Inc., in Stamford, CT, USA.

For more information, visit: [www.ipsogen.com](http://www.ipsogen.com)

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**2009 annual revenue:  
17 February 2010 (after market)**