STENTYS Reports its 2016 Annual Results

- Revenues up 20% to €7.3 million
- 12% reduction in the operating loss
- Restructuring plan completed
- Cash position of €17.0 million at end-2016

PARIS - March 21, 2017 - STENTYS (FR0010949404 — STNT), a medical technology company commercializing the world's first and only Self-Apposing® coronary stent, today announces its annual results for the year to December 31, 2016, as approved by the Board of Directors on March 21, 2017. The Company has decided to bring their publication forward by a day in anticipation of its participation in the Portzamparc Forum on March 22, 2017.

Christophe Lottin, Chief Executive Officer, comments: "*2016 was marked by an aggressive restructuring plan and a significant reduction in operating expenses. However, these measures did not weigh on our commercial performance, which remained solid with our annual sales growing by 20%. In 2017, our priority will be to accelerate sales of our stents, driven by our new commercial organization that is tailored to the new challenges of the interventional cardiology market. Today, STENTYS is ideally positioned, on both an organizational level and a financial level, to begin a new stage in its growth whilst closely controlling its costs.*"

2016 annual results: 12% reduction in the operating loss

€ thousands – IFRS[1]	**December 31, 2016**	December 31, 2015
Revenues	**7,318**	6,102
Cost of goods sold	**-3,938**	-2,647
Research & development costs	**-3,149**	-3,423
Sales & Marketing costs	**-6,465**	-6,634
General & Administrative costs	**-2,592**	-2,709
Core operating loss (before share-based payments)	**-8,825**	-9,312
Other operating expenses/ income (APPOSITION V)	**591**	56
Share-based payment	**-93**	-250
Operating loss	**-8,326**	-9,505
Net loss	**-8,359**	-9,459
Net loss restated for non-recurrent income and expenses *	**-6,524**	- 9,515

** In 2016, non-recurrent income/expenses of €1,835 thousand were written down, for the restructuring plan, intangible assets and inventory write-offs and for the end of APPOSITION V study. In 2015, non-recurrent income was related to the provision of APPOSITION V. These costs are described in detail in the Company's financial statements.*

[1] *2016 consolidated accounts have been audited, and the auditor's certification report is pending*

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2016 saw the following key events:

- 20% increase in revenues to €7.3 million, essentially driven by the Xposition range of stents;
- implementation, during the second half of 2016, of a restructuring plan costing a total of €1.2 million;
- 12% reduction in the operating loss, to -€8.4 million vs. -€9.5 million in 2015, and decrease in operating cash burn.

In detail, operating costs broke down as follows:

- Cost of goods sold: the gross margin decreased from 57% at December 31, 2015 to 46% at December 31, 2016, strongly affected by the distribution of MiStent stents on which the Company recorded a significantly lower margin than that of STENTYS products in 2016. Importantly, STENTYS records a gross margin of 57% on its own products.

- Research & Development costs: R&D spending totaled €3.1 million in 2016, versus €3.4 million in 2015, impacted by the end of operations of the American subsidiary.

- Sales & Marketing costs: their relative stability (-2.5%) was due to a decrease in spending associated with the end of certain clinical trials, which was partly offset by the recording of losses and write-offs on previous-generation products.

- General and Administrative costs: this spending decreased by 4% due to the reduction in consultancy fees.

- APPOSITION V clinical trial: negotiations with the US health authorities (FDA), which accepted that the monitoring of patients be reduced from 3 years to 2, helped the Company reduce the global cost of the study it had provisioned for by €591 thousand.

STENTYS had a workforce of 28 staff at the end of 2016, compared with 33 a year earlier.

Solid financial structure

At December 31, 2016, STENTYS had a cash position of €17.0 million, versus €10.7 million at December 31, 2015. This strengthening of the Company's financial means was a result of the €12.6 million capital increase carried out in February 2016 and of a sharp reduction in operating cash burn from €11.4 million in 2015 to €5.3 million in 2016.

2016 highlights

- **Development in the left main coronary artery indication:** after receiving CE Marking for its Xposition S drug-eluting stent for the left main coronary artery indication in the first quarter of 2016, in July STENTYS enrolled the first patient in its TRUNC trial, which is aiming to evaluate this stent's efficiency on a population of 200 people. Enrollment is currently being finalized in the 20 medical centers participating in the study.

- **Expansion of the Xposition S range:** in June, STENTYS obtained CE Marking for its 37 mm self-apposing drug-eluting stent. The Xposition S stent portfolio now includes 4 different lengths, this latest and longest of which is particularly well-suited to the treatment of lesions in the left main coronary artery and in tapered vessels.

- **Restructuring plan:** during the second half of 2016, new CEO Christophe Lottin put in place a restructuring plan aimed at reducing the Company's operating costs. Within the framework of this plan, various departments have been reorganized:

    - R&D and clinical: R&D activities, previously based in Princeton, New Jersey (USA), have been repatriated to the Company's new head offices in Paris.
    - Sales & Marketing: the commercial structure has been reorganized in order to meet new market expectations.
    - Customer Service: creation of a support and investment department in an ERP in order to make customer relation management more fluid and automated.

New CFO

STENTYS will appoint André Lerebours as its new Chief Financial Officer on March 31, 2017, when Stanislas Piot stands down after 7 years in this position to pursue other professional projects.

2017 Outlook

STENTYS intends to pursue its growth strategy in regions of strategic interest (Europe, Middle East, Asia, Latin America), supported by its new commercial organization and with a particular emphasis on keeping operating costs under control.
On the clinical and regulatory front, STENTYS is continuing to deploy its strategy with, on the one hand, enrollment in the TRUNC trial being in line with the objective of having preliminary clinical results available by the end of the first half of 2018 and, on the other hand, the inclusion of the first patient in the WIN trial being scheduled for the first half of 2017.

Upcoming financial publication

STENTYS expects to publish its revenues for the 1st quarter of 2017 on Monday April 24, 2017

Annual general meeting
The combined general meeting of STENTYS will be held on May 11, 2017 at 16:00 at 21 Place de la Madeleine, 75008 Paris.
If you are a shareholder of STENTYS and would like to participate in the voting of the resolutions, please send your contact details to the following address: investor@stentys.com
If the required quorum was not reached, the general meeting on the second call would be held on June 22, 2017.

About STENTYS
STENTYS is developing and commercializing innovative solutions for the treatment of patients with complex artery disease. STENTYS' Self-Apposing® drug-eluting stents are designed to adapt to vessels with ambiguous or fluctuating diameters in order to prevent the malapposition problems associated with conventional stents. The APPOSITION clinical trials in the treatment of acute myocardial infarction showed a very low one year mortality rate and a faster arterial healing compared to conventional stents. The company's product portfolio also includes MiStent SES®, a coronary DES whose new drug delivery mechanism is designed to match vessel response, and is marketed through STENTYS' commercial network in Europe, the Middle East, Asia and Latin America. ***More information is available at www.stentys.com***

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Safe Harbor Statements
This press release contains forward-looking statements about the Company that are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which it will operate in the future which may not be accurate. Such forward-looking statements involve known and unknown risks which may cause the Company's actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, risks associated with the development and commercialization of the Company's products, market acceptance of the Company's products, its ability to manage growth, the competitive environment in relation to its business area and markets, its ability to enforce and protect its patents and proprietary rights, uncertainties related to the U.S. FDA approval process, slower than expected rates of patient recruitment for clinical trials, the outcome of clinical trials, and other factors, including those described in the Section 4 "Risk Factors" of the Company's 2015 Registration Document (*document de référence*) filed with the French *Autorité des Marchés Financiers* (AMF) on August 30, 2016 under number D.16-804.