Paris, August 31 2015, 6pm

Turnover of 1,260K€ in the first half of 2015, up 23% when compared with the first half of 2014

Cash position of 25.1M€ as of 30 June 2015, at the same level compared with 30 June 2014, plus 4.1M€ of 2014 research tax credit to be reimbursed by the Public Finance Department

Clinical trial with masitinib in 14 phase 3 studies

AB Science SA (NYSE Euronext - FR0010557264 - AB), a pharmaceutical company specializing in the research, development and commercialization of protein kinase inhibitors (PKIs), today reports its revenues for the first half of 2015 and provides an update on its activities.

I. Key events for the first half of 2015

In human medicine

- The Data and Safety Monitoring Board (DSMB), created as part of the Company's pivotal clinical study evaluating masitinib, performed futility tests during the first half of 2015 in the masitinib phase 3 studies for the treatment of mild to moderate Alzheimer's disease and for the treatment of amyotrophic lateral sclerosis. The DSMB recommended the continuation of both studies, based on these futility tests results and safety data.

- AB Science announced that the U.S. Food and Drug Administration (FDA) has granted the company Orphan Drug designation for masitinib in the treatment of amyotrophic lateral sclerosis.
  The FDA's Office of Orphan Drug Products Development reviews applications for Orphan Drug status to support development of medicines for underserved patient populations, or rare disorders that affect fewer than 200,000 people in the United States.

- AB Science announced that the U.S. Patent and Trademark Office has issued a Notice of Allowance for patent relating to methods of treating severe persistent asthma with masitinib. This patent, which expires in 2032 protects to the use of masitinib in the treatment of severe persistent corticosteroid-dependent asthma.

- AB Science announced that its phase 2 with masitinib in relapsed or refractory peripheral T-cell lymphoma (PTCL) was accelerated into a phase 3 randomized controlled trial.

This phase 2-3 study is a prospective, multicenter, open-label, three-parallel groups, randomized trial to evaluate the efficacy and safety of masitinib plus dexamethasone with or without gemcitabine, as compared against the active control of dexamethasone plus gemcitabine, in patients with relapsed or refractory peripheral T-cell lymphoma. The primary endpoint of this study is overall survival.
The clinical development program of masitinib in peripheral T-cell lymphoma started with a phase 2, open-label, three-parallel groups, randomized study, which involved the planned recruitment of 45 patients. Health authorities from 14 countries agreed to transform the phase 2 study directly into phase 3, with prospective recruitment of 270 patients.
The decision to accelerate the phase 2 into phase 3 was based on the observation of a survival benefit with masitinib as compared to control (data blinded to sponsor and investigator) and acceptable safety with validation of the passage into phase 3 by the independent Data Monitoring Safety Board.

- As of 30 June 2015, the clinical development program of masitinib is as follows:

Fourteen phase 3 studies are currently ongoing in: first-line and second-line GIST, metastatic melanoma expressing JM mutation of c-Kit, multiple myeloma, peripheral T-cell lymphoma, metastatic colorectal cancer, metastatic prostate cancer, pancreatic cancer, mastocytosis, severe persistent asthma, rheumatoid arthritis, Alzheimer's disease, progressive forms of multiple sclerosis, and amyotrophic lateral sclerosis.
Additionally, a phase 2 clinical program is ongoing, mainly in oncology. In case of positive results, phase 3 studies will be initiated following these phase 2 studies.

Area	Indication	Study	Status
Oncology / Hematology	GIST in first-line treatment	Phase 3	On-going
	GIST in second-line treatment	Phase 3 confirmatory	On-going
	Metastatic melanoma with JM mutation of c-KIT	Phase 3	On-going
	Relapsed metastatic colorectal cancer	Phase 3	On-going
	Relapsed multiple myeloma	Phase 3	On-going
	Metastatic Castrate Resistant Prostate Cancer in first line	Phase 3	On-going
	Pancreatic cancer	Phase 3 confirmatory	On-going
	Relapsed peripheral T-cell lymphoma	Phase 3	On-going
	Relapsed metastatic triple negative breast cancer	Phase 2	On-going
	Relapsed metastatic non triple negative breast cancer	Phase 2	On-going
	Relapsed metastatic liver cancer	Phase 2	On-going
	Relapsed metastatic gastric cancer	Phase 2	On-going
	Relapsed metastatic head and neck cancer	Phase 2	On-going
Non Oncology	Indolent forms of systemic mastocytosis	Phase 3	On-going
	Non controlled severe asthma	Phase 3	On-going
	Refractory rheumatoid arthritis	Phase 3	On-going
	Alzheimer's disease	Phase 3	On-going
	Progressive forms of multiple sclerosis	Phase 3	On-going
	Amyotrophic lateral sclerosis	Phase 3	On-going

Other events

- The Company received from Bpifrance in January 2015 the balance of the conditional advance (665 K€) and of the grant (276 K€) related to the APAS-IPK project (Amélioration de la Prédictivité de l'Activité et de la Sélectivité des Inhibiteurs de Protéine Kinase) in oncology. The total amount of the conditional advance amounts to 4,432 K€, payable in 4 phases. In case of success of the project, the Company will pay to Bpifrance, from the third year after the commercialization, a 1% interest fee on the turnover generated by the sale of the products, for amounts up to 3.1 million euros per year and on the turnover made on two accounting years.

- The company received in May 2015 an advance payment amounting to 2,435 K€ corresponding to the first installment of repayable advances granted by Bpifrance on the strategic industrial innovation project "Romane" for the development of a new targeted therapy in Alzheimer's disease. The total amount of advance payments received so far amounts to 4,899 K€. As a reminder, the maximum funding awarded to the project by Bpifrance through repayable advances and grants amounts to 8.6 million euros, including 5.8 million euros for AB Science.

- During the first half of 2015, AB Science used twice the equity financing facility (PACEO) set up with Société Générale on 30 July 2014.
  - On February 13 2015, AB Science proceed with the issue of 463,500 new shares for the price of €17.26 per share
  - On June 2 2015, AB Science proceed with the issue of 485,000 new shares for the price of €16.52 per share

As a reminder, for this PACEO, Société Générale has subscribed warrants issued by AB Science (bons d'émission d'actions, or "BEA") that AB Science may exercise at its sole discretion, with the view to enabling the Company to carry out successive capital increases representing a maximum of 3,200,000 shares (being 9.7% of currently outstanding shares).
For each tranche, the price to be paid equals the volume weighted average share price of the three trading days preceding the effective date of purchase with a discount capped at 5% dependent on the size of the drawdown. This discount allows Société Générale, who is not positioned as a long term shareholder in the Company, to purchase the shares independently of market volatility.

Therefore, as of June 30, 2015, 948,500 new ordinary shares with a nominal amount of 0.01 euro have been issued through this PACEO, resulting in a capital increase of 15,771,844 euros (including 9,485 for share capital). The number of new shares to be potentially issued though a new use of the PACEO before 30th of July 2017 is 2,251,000.

II. Recent events since half-year closing

- AB Science announced the conclusion of an Equity Line with Crédit Agricole Corporate and Investment Bank ("Crédit Agricole CIB"), as authorized by the Shareholders' Meeting held on 22 June 2015.

Under the terms of the agreement, Crédit Agricole CIB has committed to purchase new shares during a 36-month commitment period, within the global limit of 3,340,000 shares, representing 9.85% of the shares currently outstanding.
For each drawdown, the subscription price is computed as the volume weighted average share price during the three trading days preceding the effective date of subscription, with a discount capped at 5% and depending on the size of the drawdown. The new shares issued will be subsequently sold on- or off-market by Crédit Agricole CIB.
AB Science has no minimum drawdown obligation, and will use the facility at its sole discretion if market conditions are favorable and in the best interests of both the Company and its shareholders.

III. Consolidated financial statements for the first half of 2015

The company turnover amounts to 1,260 K€ for the first half of 2015, as compared with 1,023 K€ one year earlier, which represents a growth of 23.2%. It is entirely generated by the commercialization of a drug in veterinary medicine.

Operating expenses as at 30 June 2015 amounted to 13,702 K€, as compared with 7,729 K€ as at 30 June 2014, which is an increase of 77.3%.

The Company's marketing expenses amounted to 921 K€ as at 30 June 2015 as compared with 847 K€ as at 30 June 2014, corresponding to an increase of 8.7%. This increase is mainly attributable to fluctuations of the dollar's exchange-rate.

Administrative expenses increased by 20.3%. They amounted to 1,112 K€ to 30 June 2015 up from 924 K€ as at 30 June 2014. This increase is mainly due to the increase of professional fees (102 K€).

Research and development expenses increased by 98%, amounting to 11,535 K€ as at 30 June 2015, which is up from 5,824 K€ as at 30 June 2014. This increase (5,711 K€) is due to expansion of the preclinical and clinical development program that has necessitated an increase in staff numbers and an increase in the number of patients enrolled in the studies.

Operating profit/loss

The operating loss as at 30 June 2015 amounted to 12,442 K€ as compared with 6,706 K€ as at 30 June 2014, which is an increase of the operating loss by 5,736 K€ (85.5%). This change is due to the reasons provided above.

Financial profit/loss

The financial loss as at 30 June 2015 was 578 K€, as compared with 532 K€ a year earlier.
The 578 K€ loss is mainly due to:

- Financial income: 202 K€ primarily related to cash remuneration (76 K€) and exchange gains (126 K€)

- Financial loss: 780 K€. Financial loss is mainly related to:
  - Annual interests on bonds: 74 K€
  - Capitalized interests on bonds: 428 K€
  - Interests on bank loans: 5 K€
  - Currency effects: 102 K€
  - Discounting effects: 155 K€

Net profit/loss

The total net loss as at 30 June 2015 amounted to 12,978 K€, as compared to 7,208 K€ as at 30 June 2014, increasing by 80 %, for the reasons provided above.

IV. Consolidated balance sheet information

Assets

Given the stage of product development, development costs were expensed. Fixed assets correspond essentially to the cost of registration of the Company's patents. Registration costs of the Company's patents booked as net fixed assets increased by 11.4% as of 30 June 2015, from 1,447 K€ as of 31 December 2014 to 1,612 K€ as of 30 June 2015.

Inventory amounted to 484 K€ as of 30 June 2015 as compared with 618 K€ as of 31 December 2014. They are related to the inventory of work-in-progress products (342 K€) and to the inventory of finished products (142 K€).

Trade receivable increased from 310 K€ at the end of 2014 to 386 K€ as of 30 June 2015.

Current financial assets increased by 34.4% between 31 December 2014 and 30 June 2015, from 5,960 K€ to 8,012 K€. These financial assets correspond mainly to cash instruments, the term of which is beyond 3 months. This increase results from the investment of cash obtained following the use of the equity financing facility (PACEO) set up with Société Générale.

Other current assets of the Company amount to 8,969 K€ as of 30 June 2015, compared with 9,460 K€ as of 31 December 2014, which represents a decrease of 5.2% over the period (491 K€).

This is explained by:

- Increase in the amount of research tax credit receivable (6,732 K€ as of 30 June 2015 against 4,437 K€ as of 31 December 2014, an increase of 2,295 K€ for the first semester of 2015), since the research tax credit of 2014 was not reimbursed as of 30 June 2015. The case is under investigation.
- Increase in the amount of VAT receivable (1,142 K€ as of 30 June 2015 against 726 K€ as of 31 December 2014, an increase of 416 K€),
- Reduced conditional advances receivable by BPI France, advance provisioned at 31 December 2014 was received in January and May 2015 (3,101 K€).

Cash amounts to 17 112 K€, compared to 13 197 K€ as of 31 December 2014, excluding reimbursement of 4,124 K € research tax credits for 2014.

Total cash and current financial assets amounted to 25,124 K€ as of 30 June 2015, excluding reimbursement of 4,124 K€ research tax credits for 2014, against 19,157 K€ as of 31 December 2014. The application for reimbursement of research tax credit of 2014 (4,124 K€) is still under investigation as of 30 June 2015.

Liabilities

Funds used by the company consist primarily of bond issues and cash obtained following the use of the equity financing facility (PACEO) set up with Société Générale.

As of 30 June 2015, shareholders' equity amounted to -12,502 K€.

Current liabilities amount to 15,901 K€ as of 30 June 2015 against 13,995 K€ in late 2014, which represents an increase of 13.6%.
This increase (1,906 K€) can be explained by the following effects:

- The decrease in current provisions (120 K€), related to the reversal of tax reserves previously established
- The increase in current liabilities (1,924 K€)
- The decrease of the current financial liabilities (71 K€)
- The increase of the other current liabilities (173 K€), due to the increase of accrued taxes and employee benefits expense

Non-current liabilities mainly include obligations (23,038 K€) and conditional cash advances (9,331 K€). They amount to 33,452 K€ as of 30 June 2015 against 32,962 K€ as of 31 December 2014, an increase of 490 K€ mainly due to the bonds accrued capitalized interest for the first half of 2015.

Risk factors and uncertainties

The main risks and uncertainties to which the Company is exposed for the first six months and the remaining six months of fiscal 2015 are the risks and uncertainties described in Chapter 5 of the Annual Financial Report to 31 December 2014.

About AB Science

Founded in 2001, AB Science is a pharmaceutical company specializing in the research, development and commercialization of protein kinase inhibitors (PKIs), a new class of targeted molecules whose action is to modify signaling pathways within cells. Through these PKIs, the Company targets diseases with high unmet medical needs (cancer, inflammatory diseases, and central nervous system diseases), in both human and veterinary medicines.

AB Science has developed a proprietary portfolio of molecules and the Company's lead compound, masitinib, has already been registered for veterinary medicine in Europe and in the USA, and is pursuing fourteen phase 3 studies in human medicine in first-line and second-line GIST, metastatic melanoma expressing JM mutation of c-Kit, multiple myeloma, peripheral T-cell lymphoma, metastatic colorectal cancer, metastatic prostate cancer, pancreatic cancer, mastocytosis, severe persistent asthma, rheumatoid arthritis, Alzheimer's disease, progressive forms of multiple sclerosis, and amyotrophic lateral sclerosis. The company is headquartered in Paris, France, and listed on Euronext Paris (ticker: AB).

Further information is available on AB Science website: www.ab-science.com.

This document contains prospective information. No guarantee can be given as for the realization of these forecasts, which are subject to those risks described in documents deposited by the Company to the Authority of the financial markets, including trends of the economic conjuncture, the financial markets and the markets on which AB Science is present.

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FINANCIAL STATEMENTS AS OF 30 JUNE 2015

Assets ***(in thousands of euros)***	30/06/2015	31/12/2014
Intangible assets	1 626	1 464
Tangible assets	235	241
Non-current financial assets	27	27
Other non-current assets	0	0
Deferred tax assets	0	0
Non-current assets	1 888	1 732
Inventory	484	618
Trade receivable	386	310
Current financial assets	8 012	5 960
Other current assets	8 969	9 460
Cash and cash equivalent	17 112	13 197
Current assets	34 963	29 544
TOTAL ASSETS	**36 851**	**31 276**

Liabilities ***(in thousands of euros)***	30/06/2015	31/12/2014
Share capital	339	329
Additional paid-in capital	101 586	85 387
Translation reserve	(68)	(28)
Other reserves and results	(114 360)	(101 368)
Total equity attributable to equity holders of the Company	(12 502)	(15 681)
Non-controlling interests		
Total equity	(12 502)	(15 681)
Non-current provisions	513	420
Non-current financial liabilities	32 369	31 921
Other non-current liabilities	0	0
Deferred tax liabilities	570	622
Non-current liabilities	33 452	32 962
Current provisions	298	418
Trade payable	12 116	10 192
Current financial liabilities	602	673
Tax liabilities / Tax payable	0	0
Other current liabilities	2 885	2 712
Current liabilities	15 901	13 995
TOTAL EQUITY AND LIABILITIES	**36 851**	**31 276**

STATEMENT OF COMPREHENSIVE INCOME 30 JUNE 2015

(in thousands of euros)	30/06/2015	30/06/2014
Revenue	**1 260**	**1 023**
Other operating revenues	0	0
Total revenues	**1 260**	**1 023**
Cost of sales	(134)	(135)
Marketing expenses	(921)	(847)
Administrative expenses	(1 112)	(924)
Research and development expenses	(11 535)	(5 824)
Other operating expenses	-	-
Operating income (loss)	**(12 442)**	**(6 706)**
Financial income	202	149
Financial expenses	(780)	(681)
Financial income (loss)	**(578)**	**(532)**
Income tax expense	42	30
Net income (loss)	**(12 978)**	**(7 208)**
Other comprehensive income		
Items that will not be reclassified subsequently to net income:		
- Actuarial differences	(49)	
Items that should be reclassified subsequently to net income:		
- Translation differences – Foreign operations	(39)	(6)
Other comprehensive income for the period net of tax	**(88)**	**(6)**
Total comprehensive income for the period	**(13 066)**	**(7 214)**
Net income for the period attributable to:		
- Attributable to non-controlling interests	-	-
- Attributable to equity holders of the parent Company	(12 978)	(7 208)
Comprehensive income for the period attributable to:		
- Attributable to non-controlling interests	-	-
- Attributable to equity holders of the parent Company	(13 066)	(7 214)
Basic earnings per share - in euros	(0.39)	(0.22)
Diluted earnings per share - in euros	(0.39)	(0.22)

CONSOLIDATED STATEMENT OF CASH FLOWS

(in thousands of euros)	30/06/2015	30/06/2014
Net income (loss)	(12 978)	(7 208)
- Adjustment for amortization and charges to provisions	65	(520)
- Adjustment for income (loss) from asset sales	0	0
- Non-cash income and expenses linked to share-based payments	35	38
- Other non-cash income and expenses	0	53
- Adjustment for income tax expense	(52)	(42)
- Adjustment for change in deferred tax	0	0
- Impact of change in working capital requirement generated by operating activities	(730)	801
- Income from interest on financial assets	601	473
- Cash flow from operations before tax and interest	**(13 059)**	**(6 405)**
- Income Tax (paid) / received	0	
Net cash flow from operating activities	**(13 059)**	**(6 405)**
Acquisitions of fixed assets	(291)	(362)
Sales of tangible and intangible assets	0	0
Acquisitions of financial assets	(8 000)	(6 076)
Proceeds from the sale and financial assets	5 981	4 973
Changes in loans and advances	0	0
Interest received / (paid)	24	119
Other cash flow related to investing activities	0	0
Net cash flow from investing activities	**(2 287)**	**(1 346)**
Dividends paid		
Capital increase (decrease)	16 210	25
Issue of loans and receipt of conditional advances	3 376	0
Repayments of loans and conditional advances	(285)	(294)
Other cash flows from financing activities	0	0
Net cash flow from financing activities	**19 301**	**(270)**
Effect of exchange rate fluctuations	(39)	(6)
Effect of assets held for sale	0	0
Impact of changes in accounting principles	0	0
Net increase (decrease) in cash and cash equivalents – by cash flows	**3 915**	**(8 027)**
Cash and cash equivalents – opening balance	13 197	26 941
Cash and cash equivalents – closing balance	17 112	18 914
Net increase / decrease in cash and cash equivalents – by change in closing balances	**3 915**	**(8 027)**