Nanobiotix half year results for the six months ended 30 June 2017

Paris, France and Cambridge, Massachusetts, USA, August 31, 2017 – NANOBIOTIX (Euronext: NANO – ISIN: FR0011341205), a late clinical-stage nanomedicine company pioneering new approaches to the treatment of cancer, today announces its half year results for the six months ended 30 June 2017.

- Philippe Mauberna, CFO of Nanobiotix, commented: "*We are pleased with the progress made during the first half of 2017. Following the recommendation from the IDMC to continue the phase II/III trial in Soft Tissue Sarcoma, the company has also announced successful clinical results from the Phase I/II Trial of NBTXR3 in Head & Neck Cancer. The private placement completed in April 2017 enabled new investors, mainly from the US and Europe, to invest in Nanobiotix in order to support our clinical programs expansion in head and neck cancer with NBTXR3 and in the Immuno-Oncology program into patients.*"

Financial highlights

- Total revenue of circa €1.9m (H1 2016: €3.0m) includes re-invoicing of materials and services (€59k), research tax credit (€1.760k) and other subsidies (€63k)
- Total expenses are stable compared to last year (€13.7m for H1 2017 vs. €13.1m for H1 2016). R&D expenses amounts to €7.2m on line with clinical developments activities while SG&A, at €4.5m vs. €3.8m for H1 2016, reflect the investment made in the market access phase
- Headcount to support company projects has increased to 71 in June 30, 2017 compare to 63 as of June 30, 2016
- After tax losses of €12m for H1 2017 (compared to €10m for H1 2016) in line with expectations
- Cash balance as June 30, 2017 amounts to €31m (H1 2016: €25m)

Financial events

- Successful completion in April 2017 of a €25.1 million private placement, corresponding to 1,596,527 new shares, providing additional resources to support the Company development. This operation has provided the opportunity for Nanobiotix to welcome new shareholders from US and EU and allow existing shareholders to reinforce their current positions.

Operational highlights

- Recommendation of the Independent Data Monitoring Committee (IDMC) to continue the ongoing phase II/III trial of NBTXR3 in Soft Tissue Sarcoma (Act.in.sarc study), based on the safety and efficacy data
- Results of the Phase I/II head and neck cancer trial with its lead product candidate, NBTXR3, presented at the American Society of Clinical Oncology (ASCO), Chicago in June. The excellent safety profile demonstrated in this elderly and frail population indicates that NBTXR3 would represent a valuable option to preserve and improve patients' Quality of Life compared to other treatments
- Presentation of NBTXR3 preclinical data demonstrating 1) the antitumor efficacy of NBTXR3 in five different *in vivo* human cancer models and 2) the antitumor efficacy of NBTXR3 in combination with chemotherapy, in both *in vitro* and *in vivo* studies
- Presentation of a first set of clinical data from its immuno-oncology (IO) program, showing the potential ability of NBTXR3 to transform "cold" tumors into "hot" tumors. The new clinical data and previous pre-clinical data indicate that NBTXR3 could play a key role in oncology and could become a backbone in immuno-oncology. NBTXR3 with radiotherapy could transform tumors into an effective *in situ* vaccine, opening up very promising perspectives in the treatment of local cancer and metastases
- Appointment of Alain Dostie, a senior executive from the pharmaceutical industry, as its Chief Operating Officer (COO) to oversee operations and product commercialization

Financial Review (IFRS)

The detailed Profit & Loss financial statement is laid out below:

	6 months period closed on :	
(€ '000)	**June 30 2017**	**June 30 2016**
Operating revenue	59	982
Other revenue	1,823	2,053
Subsidies	*63*	*63*
Research Tax Credit	*1,760*	*1,991*
Total revenue	1,882	3,036
Cost of sales	-	-
R&D costs	-7,238	-8,209
Selling, general and administrative costs (SG&A)	-4,531	-3,773
Costs associated with payments in shares	-1,919	-1,127
Core operating loss	-11,806	-10,073
Income from cash	19	35
Gross cost of debt	-57	-49
Net cost of debt	-38	-14
Other financial income	18	15
Other financial expenses	-364	-6
Core pre-tax loss	-12,190	-10,079
Income tax	0	-89
Net loss	-12,190	-10,169
Actuarial gains	8	21
Foreign exchange translation adjustments	237	4
Comprehensive loss	-11,945	-10,143
Diluted earnings per share	-0.76	-0.68

Total revenue for H1 2017 amounts to €1,882k (H1 2016: €3,036k):

- Re-invoicing of materials and services related to activities planned into partnership convention with PharmaEngine have been smaller than last year while no milestone payment was triggered during the period, and
- Other revenue amounts to €1,823k mainly composed of the Research Tax Credit (CIR). This amount is in slightly decreased compared to last year (-€230k) as a reflection of the R&D expenses level.

Total operating expenses as of 30 June 2017 reached €13.7m (H1 2016: €13.1m). In total, the stability of expenses is explained as follows:

- Operating costs, excluding share based payments, amounted in H1 2017 to €11,770k (H1 2016: €11,982k), as per company expectations,
- R&D expenses amounted to €7.2m (H1 2016: €8.2m), which correspond to the current level of activity of on-going clinical programs,
- Selling, general and administrative cost expenses reached €4.5m (H1 2016: €3.8m) mainly due to the continuation of market access preparation, with some new recruitments and market studies activities, and
- Shares based payment amounts to €1.9m (+€0.8m) because of plans allocated on the period.

The core operating loss amounts to €11.8m (H1 2016: €10.1m) in line with expectations. This operating loss increase is mainly due to the decrease of revenue level.

The total net loss amounts to €12.2m.

Cash balance as of 30 June 2017 reaches €31m as per expectations.

The half year financial report has been the object of a limited review by the Statutory Auditors. The company published full financial statements that comply with IFRS that are available on its website at www.nanobiotix.com.

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Next financial press release: revenue for the third quarter of 2017 on November 15, 2017.

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About NANOBIOTIX: www.nanobiotix.com

Nanobiotix (Euronext: NANO / ISIN: FR0011341205) is a late clinical-stage nanomedicine company pioneering novel approaches for the treatment of cancer. The Company's first-in-class, proprietary technology, NanoXray, enhances radiotherapy energy with a view to provide a new, more efficient treatment for cancer patients.

NanoXray products are compatible with current radiotherapy treatments and are meant to treat potentially a wide variety of solid tumors including soft tissue sarcoma, head and neck cancers, liver cancers, prostate cancer, breast cancer, glioblastoma, etc., via multiple routes of administration.

NBTXR3 is being evaluated in: soft tissue sarcoma (STS), head and neck cancers, prostate cancer, and liver cancers (primary and metastases). Additionally, head and neck cancer and rectal cancer trials led by Nanobiotix's Taiwanese partner, PharmaEngine, are underway in the Asia Pacific region. The Company has filed in August 2016 for market approval (CE Marking) in Europe for its lead product NBTXR3.

The Company started in 2016 a new preclinical research program in Immuno-oncology with its lead product NBTXR3, which could have the potential to bring a new dimension to cancer immunotherapies.

Nanobiotix is listed on the regulated market of Euronext in Paris (ISIN: FR0011341205, Euronext ticker: NANO, Bloomberg: NANO: FP). The Company Headquarter is based in Paris, France. Affiliate in Cambridge, United States.

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Disclaimer

This press release contains certain forward-looking statements concerning Nanobiotix and its business. Such forward-looking statements are based on assumptions that Nanobiotix considers to be reasonable. However, there can be no assurance that the estimates contained in such forward-looking statements will be verified, which estimates are subject to numerous risks including the risks set forth in the reference document of Nanobiotix filed with the French Financial Markets Authority (Autorité des Marchés Financiers) under number D.17-0470 on April 28, 2017 (a copy of which is available on www.nanobiotix.com) and to the development of economic conditions, financial markets and the markets in which Nanobiotix operates. The forward-looking statements contained in this press release are also subject to risks not yet known to Nanobiotix or not currently considered material by Nanobiotix. The occurrence of all or part of such risks could cause actual results, financial conditions, performance or achievements of Nanobiotix to be materially different from such forward-looking statements.

This press release and the information that it contains do not constitute an offer to sell or subscribe for, or a solicitation of an offer to purchase or subscribe for, Nanobiotix shares in any country. At the moment NBTXR3 does not bear a CE mark and is not permitted to be placed on the market or put into service until NBTXR3 has obtained a CE mark.