



## MEDTECH ANNOUNCES RESULTS OF FIRST HALF OF THE FISCAL YEAR 2016

- Large growth in revenue: up 135% to €3.9 million
- Cash available : €24.3 million
- Continued driving of ROSA™ adoption in new markets
- Strengthened international commercial organization

Montpellier, France, March 09, 2016 – MEDTECH (Euronext, FR0010892950 – ROSA ) a company specialized in designing, developing and marketing innovative surgical robots, today announced its results for the first half of fiscal year 2016 (six months ending December 31, 2015).

*“The first half of fiscal year 2016 testified to the Company’s position as a major player in surgical robotics. We delivered excellent sales results, made numerous recruitments for our commercial organization, and obtained regulatory approval within the deadlines announced. In mid-December 2015 we raised €13.6 million in additional capital, which has strengthened our capital resources and helped to increase the visibility of our products and accelerate our international development,” said Christophe Sibillin, Medtech’s CFO.*

*Statement of accounts as approved by the Company’s board of director’s meeting on March 4, 2016. These accounts have been subject to a limited review by the statutory auditors.*

<i>In thousands of Euros</i>	<b>31/12/2014 6 months</b>	<b>31/12/2015 6 months</b>
Revenue	1,688	3,960
Operating income	2,421	4,804
Operating expenses	4,780	8,641
Operating profit / loss	(2,359)	(3,837)
Financial income / loss	252	102
Net profit / loss before tax	(2,107)	(3,735)
Net profit / loss	(2,088)	(3,960)

**Strong revenue growth of 135% for the first half of fiscal year 2016**



**Press Release**

For the first half of fiscal year 2016 (six months ended December 31, 2015), Medtech's revenue was €3.9 million, up 135% compared with the first half of the previous fiscal year.

Sales of service contracts reached €191,000 over the first six months of fiscal year 2016 compared with €151,000 for December 31, 2014.

As of December 31, 2015, the company had a fleet of 59 ROSA™ robots delivered worldwide (including 11 during the first half of fiscal year 2016). Medtech remains on track with its commercial development strategy, including expansion into new markets.

### **Corporate expansion in line with the Company's development plan**

For the first half of fiscal year 2016, operating expenses were €8.6 million, representing an increase of 81% (€4.8 million for the six months ended December 31, 2014), reflecting the implementation of the Company's growth strategy.

The amount of manufacturing purchases, other purchases, and external expenses was up by €3.5 million to €6.6 million, driven by the Company's international expansion. Costs from foreign subsidiaries increased from €1.2 million to €2.6 million due to Medtech Surgical Inc. recruiting 6 new employees during the period. During the first six months of fiscal year 2016, the Company also incurred €1.3 million non-recurring expenses related to the issue of convertible bonds with warrant attached (€13.6 million).

Due to the addition of new employees at the Company headquarters (43 employees as of December 2015 compared with 33 at the end of December 2014), payroll expenses were up to €399,000, increasing from €1.4 million to €1.7 million.

The operating loss for the first half of fiscal year 2016 was €-3.8 million compared with €-2.4 million in the first half of the previous fiscal year.

The financial income for the first half of fiscal year 2016 was €102,000, mainly due to interest from the Company's securities and cash investments.

Considering the refundable advances and grants collected over the period, the Company's tax credit related to its Research & Development activities was not recorded (*Crédit Impôt Recherche*).

Consequently, net operating loss stood at €3.9 million for the first half of fiscal year 2016 compared with €2.1 million for the previous period.

### **Cash available proportional to the Company's development ambitions**

During the first half of fiscal year 2016, the Company consumed €2.2 million in cash, offset by the issue of convertible bonds for proceeds of €13.6 million and refundable advances received from BPIFrance of €1 million, which reinforced the Company's cash available, in line with its expansion strategy.

Cash available as of December 31, 2015 was €24.3 million compared with €12.0 million as of June 30, 2015.

Furthermore, at the end of December 2015, shareholders' equity stood at €10.2 million compared with €14.1 million on June 30, 2015.



**Press Release**



### Significant progress and highlights

During the first half of the fiscal year ended December 31, 2015, Medtech confirmed the development plan announced at the time of its IPO to go beyond the major milestones of structuring the Company and entering new markets.

#### Team strengthening

- ✦ The Company increased from 51 employees at the end of June 2015 to 63 employees at the end of December 2015, with 17 employees in the United States.

#### Pursued penetration of the North American market

- ✦ Medtech has continued its deployment efforts in the United States, with the number of employees going up from 11 to 17 over the fiscal period. The American branch, mainly devoted to sales activities and clinical support, participated significantly in the acceleration of ROSA adoption with the sale of 8 new systems during the first half of fiscal year 2016.

#### An extended distribution network

- ✦ During the past six months, to support its sales, the Company signed 3 new distribution contracts in the Czech Republic, Taiwan and Turkey.

### Events arising since the end of the 6-month fiscal period

On January 5, 2016, the Company obtained 510K clearance from the U.S. Food and Drug Administration (FDA) to market the ROSA™ Spine device on the American market.

### Forecast for the second half of fiscal year 2016

Medtech is actively pursuing its development and intends to maintain its efforts for the introduction of its ROSA™ Spine technology on the American and European markets in parallel with its continued efforts to market its ROSA™ Brain technology.

### Availability of the 6-monthly financial report on December 31, 2015

In compliance with the current regulatory requirements, Medtech has today announced that its financial report for the fiscal year ended December 31, 2015 has been assigned to the French Financial Markets Authority (AMF) and made publicly available.

This financial report for the first half of fiscal year 2016 (six months ended December 31, 2015), may be consulted on the Company's website at the following address: [www.medtech.fr](http://www.medtech.fr): in "The Company" tab, in the Investor Relations/documents" section.



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### Future Events for Medtech

Congress of the French Society of Neurosurgery, Montpellier (FR)	April 06-08, 2016
Congress of the Society of British Neurological Surgeons, Newcastle (UK)	April 20-22, 2016
83 <sup>rd</sup> American Association of Neurological Surgeons Annual Meeting, Chicago(US)	May 02-04, 2016
Congress of the French Society of Spine Surgery, Lyons (FR)	June 09-11, 2016
Congress of the German Society of Neurosurgery (DGNC), Frankfurt (DE)	June 13-15, 2016
American Society for Stereotactic and Functional Neurosurgery 2016, Chicago (US)	June 19-21, 2016

### About MEDTECH

Founded in 2002 by Bertin NAHUM and based in Montpellier, MEDTECH is a European specialist in the design, development and marketing of innovative robotic appliances to assist surgeons during their medico-surgical interventions, thus contributing to the implementation of safer, more efficient, less-invasive treatment.

In 2007, MEDTECH developed ROSA™, an innovative technological device devoted to brain surgery procedures. ROSA™ has been approved in Europe, the United States and Canada.

In 2013 MEDTECH received the “European Company of the Year Award” in the “robotic neurosurgery” category from Frost & Sullivan.

In July 2014, MEDTECH obtained the CE marking for its new product ROSA™ Spine, a robotic- assistive device for minimally invasive surgery of the spine.



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In October 2014, MEDTECH won the “Révélation” prize in the Mediterranean Deloitte Technology Fast 50 Awards.

In 2015 MEDTECH received the “2016 Company of the Year Award” in the “robotic neurosurgery” category from Frost & Sullivan.

In November 2015, MEDTECH was honored by Deloitte In Extenso for its excellent performance in the Technology Fast 50 Mediterranean Awards, in the “listed company” category.

In January 2016, MEDTECH obtained the FDA clearance for its new product, ROSA™ Spine, a robotic-assistive device for minimally invasive surgery of the spine.

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