



Press Release

## ANNUAL RESULTS 2013/2014

### 1<sup>ST</sup> QUARTER 2014/2015 SALES & CASH

#### Financial results as of June 30 2014

- A 42% increase in revenue at 2.5 M€
- 16 M€ of Cash
- A continued strategy of increasing market share
- A strengthened international sales forces

Montpellier, France, October 16 2014 – MEDTECH (Euronext, FR0010892950 – ROSA ) a company specialized in designing, developing, marketing and selling innovative surgical assistance robots, has announced today its financials results for the year ending June 30 2014, and its activity for the 1<sup>st</sup> quarter of the current financial year.

« Medtech has taken some serious steps forward in 2014. We are very pleased with our sales performance and significant progression in revenue. The various recruitments made have enabled us to accelerate growth in accordance with the commitments we made at the time of our IPO » said Bertin Nahum, CEO and Founder of Medtech « the current financial year will be devoted to consolidating our leadership on the robotics assistance market. Focus will mainly be on boosting sales in the field of brain surgery and the commercial launch of our ROSA<sup>TM</sup> Spine product, recently CE marked. Our ROSA<sup>TM</sup> Spine robot, designed to assist surgeons during minimally invasive spine surgery, will be mainly devoted to pedicle screw fixation. Over one million surgeries of this kind are performed worldwide every year. Once again, the current year will be a wealth of new developments and reinforce Medtech's position as a European leader in surgical robotics. »



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Accounts approved by the company's Board of Directors on October 10, 2014.  
Audit procedures carried out and audit report relative to certification being issued.

<i>In thousands of euros</i>	<b>30/06/2013</b>	<b>30/06/2014</b>
	<b>12 months*</b>	<b>12 months</b>
Revenue	1 780	2 524
Operating income	57	555
Operating expenses	3 249	5 480
Operating profit	(1 411)	(2 401)
Financial Income/(Loss)	(54)	148
Net profit/(Loss) before tax	(1 465)	(2 253)
Net profit/(Loss)	(1 251)	(2 002)

\* Pro-forma statement

### **A strong increase in annual revenue: 42% as of June 30, 2014**

During its 2013/2014 financial year, Medtech made a revenue of 2.5 M€ and recorded a 42% growth in sales compared with previous financial year.

On June 30, 2014, the company had made a great performance with a fleet of 28 ROSA™ Brain robots delivered worldwide (including 9 for last year). Medtech has thus continued its strategy for market development and increased market share.

### **Operating expenses in compliance with company development**

For the financial year ending June 30, 2014, operating expenses grew by 69% to 5 480 K€ compared with 3 249 K€ on June 30, 2013. This increase was mainly due to R&D costs incurred by the ROSA™ Spine program and an increase in staff-related costs, thereby reflecting the many recruitments made during the financial year.

At the end of June 2014, Medtech had 25 employees compared with 18 at the end of the previous financial year.

Operating loss for the year ending June 30, 2014 was 2 401K€, compared to an operating loss of 1 411 K€ on previous fiscal year.



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**Cash in line with company's development program**

Company's cash position, strengthened by funds raised at the time of Medtech's successful IPO end of November 2013, rose to 16.0 M€ on June 30, 2014 compared with 0.6 M€ on June 30, 2013.

Shareholders' equity stands at 16.8 M€ compared with 0.7 M€ on June 30, 2013.

**Significant progresses and highlights**

During the current financial year 2014, Medtech confirmed the development plan announced at the time of its IPO to make major steps in strengthening and structuring the company.

**Strengthening the sales force**

- ✦ 2 sales managers have been hired for the UK and Scandinavia ;
- ✦ Christian Babini has been recruited as Vice-President of Sales for North America.

**Continued market penetration in North America**

Medtech's sales were boosted over the last financial year with the sale of 9 new ROSA™ devices including 5 in North America.

**Funding**

- ✦ A contract was signed with Bpifrance for funding of up to 8.3 M€ for a « Strategic Industrial Innovation » (SII) program gathering 3 industrial partners, the leader of which is Medtech.

**Quarterly activity as from 30 September 2014**

<i>In thousands of Euros</i>	<b>2013/2014</b>	<b>2014/2015</b>
Revenue for the 1 <sup>st</sup> quarter	82	625

During the first three months of its 2014/2015 financial year, Medtech recorded a revenue of 625 K€, compared with 82 K€ for the first quarter of the previous year. The increase in revenue comes from the sale of 2 ROSA™ devices bringing the installed base up to 30 units, 13 of which being in Europe, 9 in North America and 8 elsewhere in the world.

Considering the increasing number of its installed base, sales of servicing contracts and parts rose to 65 K€ over the first 3 months of the current financial year.

Cash available as of September 30, 2014 was 15.3 M€.



During the 1<sup>st</sup> quarter, the company recruited 7 new employees including 3 Area Sales Directors in the USA and a Market Development Director, in order to boost the business development of ROSA™ platform.

### Planned Events for Medtech

Congress of Neurological Surgeons 2014, Boston	October 18-22 2014
28 <sup>TH</sup> Annual North American Spine Society Meeting, San Francisco	November 12-15 2014
68 <sup>TH</sup> Annual Meeting American Epilepsy Society, Seattle	December 5-9 2014
Congress of the Society of French Language Neurosurgeons (SNCLF)	December 7-10 2014

### About MEDTECH

Founded in 2002 by Bertin NAHUM and based near 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™, a state-of-the-art 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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