

MEDICREA REPORTS FIRST HALF 2014 SALES

LYON, France, July 11th 2014 - The **MEDICREA** group (FR0004178572-ALMED), listed on Alternext Paris and eligible for *PEA-PME* SME equity savings plans, a company that specializes in the development of innovative surgical technologies for the treatment of spinal pathologies, today announced financial results for the first half of the fiscal year ended June 30th, 2014.

FIRST-HALF SALES

€ millions	H1 2013	H1 2014	Δ
United States	5.90	6.68	+13%
France	1.47	2.00	+36%
Europe	2.14	2.10	(2)%
South America	1.56	0.73	(53)%
Asia	0.60	0.39	(35)%
Middle East – Africa	0.23	-	-
TOTAL	11.9	11.9	-

Variations in foreign exchange rates had a negative impact of 3% on H1 2014 sales.

The Group recorded a significant increase in its sales in the United States, its priority development market. In dollars, U.S. sales increased 18% compared with the first half of 2013, with a new monthly invoicing record of \$2.4 million in June. As of June 30th 2014, U.S. sales accounted for 56% of the Group's total sales.

In France, sales grew by more than 36% over the six months. The increase, driven by substantial interest in the UNiD customized implants, the world's first customized spinal rods which were first used in September 2013, enable the reference listing of further prestigious hospitals.

Outlook

The MEDICREA group estimates that its new aggressive export strategy will produce its first significant impact towards the end of 2014 in Asia, South America and the Middle East. In markets outside of France and the United States where the company experienced sales declines in the first half of the year, the company expects its new vice president of international sales, who was appointed in May 2014, and the four-person team responsible for export sales to help drive sales growth in these regions going forward.

In Europe, the situation has stabilized following two years of pricing cuts imposed by national health system reforms. The creation of a distribution subsidiary in Germany, postponed a number of times, has been reactivated.

"We remain very optimistic regarding the second half of the year as our American subsidiary prepares to launch UNiD, the world's first patient-specific spinal osteosynthesis rod system, pending FDA approval, which we hope to receive before the end of the year. We have observed considerable enthusiasm amongst surgeons around the world as they become aware of this new technology. The import difficulties encountered by our leading distributor in Brazil, which contributed to a globally mediocre performance over the first half of 2014, have now been resolved, coupled with the addition of a new export sales team and vice president of international sales, have us in a great position moving forward the rest of the year," said Denys SOURNAC, Chairman and CEO of MEDICREA.

Additional statistical clinical analysis data has been added to the K-JAWS cervical compression staple approval application file, which was reregistered again with the FDA on June 20th 2014.

Next publication: 2014 first-half results and third-quarter sales: October 14th 2014, after market.

ABOUT MEDICREA (www.medicrea.com)

MEDICREA specializes in the design, development, manufacture and distribution of orthopedic implants dedicated to spinal surgery. In a \$10 billion market, MEDICREA is a very dynamic small to medium-sized business of 130 employees with unique innovation capabilities. The Company enjoys an excellent and ever-improving reputation and develops unique relationships with the most visionary and creative spine surgeons in France, the UK, and the USA. Products developed and patented by MEDICREA provide neurosurgeons and orthopedic surgeons specialized in the spine with new and less-invasive surgical solutions that are faster and easier to implement than traditional techniques. The Group's headquarters are based near Lyon, France, and it also has a manufacturing facility for surgical instruments and implants located in La Rochelle as well as three distribution subsidiaries in the USA, the UK and France.

Contacts:

MEDICREA

Denys Sournac, Chairman and CEO
dsournac@medicrea.com
Fabrice Kilfiger, Chief Financial Officer
fkilfiger@medicrea.com
Tel: +33 (0)4 72 01 87 87

NewCap.

Financial Communication / Investor & Press Relations
Sophie Boulila / Pierre Laurent
Tel: +33 (0)1 44 71 94 91
medicrea@newcap.fr

**MEDICREA is listed on ALTERNEXT Paris
ISIN: FR 0004178572 – Ticker: ALMED**

