

2015 ANNUAL RESULTS AND Q1 2016 SALES

Solid sales growth in Q1 2016: +20%

*More than 600 surgeries carried out with UNiD™ customized rods
4 million euros of investments in new industrial equipment in 2015*

Lyon and New York, April 7, 2016 - The MEDICREA group (Alternext Paris: FR0004178572 - ALMED), PEA-PME eligible, which specializes in the development and manufacturing of innovative implantable solutions for the surgical treatment of spinal pathologies, and world leader in solutions customized for each patient, announces its audited 2015 IFRS annual results, as approved by the Board on April 4, and its sales for the first quarter of 2016.

2015 annual results:

€ millions	2014	2015
Sales	24.2	27.8
Gross margin	19.6	21.8
Gross margin (% of sales)	81%	79%
Operating profit before amortization and provisions (EBITDA)	2.5	1.9
Operating profit before share-based payments	(0.2)	(1.5)
Current pre-tax profit	(0.7)	(1.8)
Net profit	(1.0)	(1.5)

Variations in currency rates between 2014 and 2015 had a positive impact of €0.6 million on 2015 net profit.

In 2015, sales were up +15% on the previous year. The Group is confirming that it is now a leading player in France with sales growth of +23% in this country compared with 2014. Sales generated by the United States, the Group's main and priority market, accounted for 60% of total sales.

The gross margin improved by €2.2 million compared with 2014. Investments in new industrial equipment and the deployment of the UNiD™ platform, not yet offset by further productivity gains and the anticipated increase in sales volumes, are the reason for the temporary decrease in gross margin as a percentage of sales, which remains one of the highest in the sector.

"We strengthened our organization in 2015 by recruiting 12 staff, mainly in our R&D and marketing departments. The arrival of Greg Rhinehart as Vice-President US Sales is a major milestone and should allow us to move to the next level in the US market in 2016. We also opened a new distribution subsidiary in Germany, Europe's largest spine surgery market", says Denys SOURNAC, Chairman and CEO of MEDICREA.

"At the same time, we renewed and supplemented our production tool by integrating a new additive manufacturing center using titanium 3D printing, a comprehensive prototyping unit and latest-generation digital control machines. These investments will enable us to be more responsive in meeting surgeons' requirements. For the sixth year in a row, we have posted positive EBITDA, highlighting our ability to control the Group's development", Denys SOURNAC continues.

Q1 2016 sales:

In the 1st quarter of 2016, sales totaled €7 million, up 20% on the same period of 2015. The Group's two main markets recorded solid growth: the United States saw sales grow by 27% at constant currency and France recorded sales growth of 20%.

The strengthening of the sales teams in the United States, the marketing of new products and the ramping up of the British and German subsidiaries will bolster the growth in coming quarters.

Outlook:

“We have recorded an encouraging start to 2016. The rate of adoption of our UNiD™ technology offering customized osteosynthesis rods and a platform of associated patient analysis and pre-op planning services is accelerating. The number of surgical operations carried out using our technology surpassed 600 in early March, and we are now engaged in more than 60 planned surgical interventions a month. UNiD™ is a wonderful growth driver for the Group thanks to its particularly innovative service-focused approach. MEDICREA is actively working to expand its range of customized implants and will, in 2016, industrialize interbody cages and corpectomy implants manufactured via titanium 3D printing. We are convinced that computer-assisted customized surgery is the most appropriate response to spinal pathologies, and this is being confirmed by the growing interest shown by surgeons and also patients in our solutions”, Denys SOURNAC explains.

Next publication:

Sales for the 1st half of 2016: July 7, after market.

About MEDICREA (www.medicrea.com)

The MEDICREA Group specializes in the design, manufacture, and distribution of innovative proprietary technologies devoted exclusively to spinal surgery. Operating in a \$10 billion market, MEDICREA is a small to medium-sized business with 140 employees, including 40 at its MEDICREA USA Corp. subsidiary based in New York City.

The Company enjoys an excellent and ever-improving reputation, and develops unique scientific partnerships with some of the most visionary and creative spine surgeons in France, the UK, and the USA. The products developed and patented by MEDICREA provide neurosurgeons and orthopedic surgeons specializing in the spine with new and less-invasive surgical solutions that are faster and easier to implement than traditional techniques.

MEDICREA has also become **a pioneer and global leader** in the manufacturing of customized implants for personalized spinal surgery with the development of a comprehensive process incorporating the software analysis of each patient, the pre-surgical planning of the surgical strategy, and the production of customized spinal osteosynthesis rods (UNiD™ rod) and lumbar interbody osteosynthesis cages (UNiD™ ALIF cage) that are made to measure by a 3D printer.

The Group's headquarters are based near Lyon, France. It also has an implant and surgical instrument manufacturing facility located in La Rochelle, France, as well as four distribution subsidiaries in the USA, the UK, France and Germany.

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