



## PRESS RELEASE

# CARMAT subscribes to a new contingent equity line with Kepler Cheuvreux

**Paris, January 26, 2015**

CARMAT (FR0010907956, ALCAR), the designer and developer of the world's most advanced total artificial heart project, aiming to provide a therapeutic alternative for people suffering from end-stage heart failure, announces that it is today taking out a new contingent equity line with Kepler Cheuvreux.

This new framework agreement foresees a maximum of 3 successive tranches of 12 months each, consisting in an initial tranche of " 20 million beginning of the day the agreement is signed, followed by two optional tranches of " 15 million each.

CARMAT retains control of the pace of the financial support provided by Kepler Cheuvreux, and can terminate the contract at any time.

*"This flexible solution will allow CARMAT to focus on the success of the clinical trial program", says Marcello Conviti, Chief Executive Officer of CARMAT. He continues: "We thus have sufficient room to maneuver and financial security to pursue our development and to calmly look at all the financing options available to the Company as the project moves forward."*

Within the context of this set-up, and subject to the conditions defined by the two parties being met, Kepler Cheuvreux has made a firm and definitive commitment to subscribe to a total of " 20 million over the coming 12 months, at a pace and at the times it wishes, which would result in the issuance of approximately 303 865<sup>1</sup> new CARMAT shares<sup>2</sup>, or 6.5% of the Company's current share capital.

This contingent equity line will allow the Company to strengthen its cash prospects and will provide it with heightened visibility regarding its financing plan. It supplements CARMAT's current cash position (" 7.7 million) and the other sources of financing to which it has access, notably including Bpifrance funding (" 5.3 received in December 2014) and research tax credit. Moreover, the Company will publish its 2014 annual results on February 11, 2015, once its accounts have been approved by the Board.

The issuance price of these shares will depend on CARMAT's prevailing share price, discounted by no more than 6%. This discount will enable Kepler Cheuvreux to be a financial intermediary and an underwriter within the framework of a firm commitment.

This new financing agreement terminates the previous contract put in place with Kepler Cheuvreux in June 2013, and reflects the mutual trust that exists between CARMAT and this partner.

As a guideline, should the contingent equity line be drawn upon for " 20 million at an issuance price (post discount) of " 65,82<sup>2</sup> a shareholder holding 1% of the Company's share capital would see his or her shareholding reduced to 0.94% of the Company's share capital<sup>3</sup>.

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<sup>1</sup> Based on the closing price on January 23, 2015

<sup>2</sup> Resulting in the issuance of 303 865 new shares

<sup>3</sup> Based on the number of CARMAT shares at December 31, 2014, i.e. 4 380 020 shares.

This financing has been put in place pursuant to the ninth resolution approved by the Shareholder Meeting held on April 2, 2014.

The number of shares issued within the framework of this contract and admitted for trading on Alternext will notably be the subject of Euronext notices.

#### About CARMAT: the world's most advanced total artificial heart project

**A credible response to end-stage heart failure:** CARMAT aims to eventually provide a response to a major public health issue associated with heart disease, the world's leading cause of death: chronic and acute heart failure. By pursuing the development of its total artificial heart, CARMAT intends to overcome the well-known shortfall in heart transplants for the tens of thousands of people suffering from irreversible end-stage heart failure, the most seriously affected of the 20 million patients with this progressive disease in Europe and the United States.

**The result of combining two types of unique expertise:** the medical expertise of Professor Carpentier, known throughout the world for inventing Carpentier-Edwards® heart valves, which are the most used in the world, and the technological expertise of Airbus Group, world aerospace leader.

**Imitating the natural heart:** given its size, the choice of structural materials and its innovative physiological functions, CARMAT's total artificial heart could, assuming the necessary clinical trials are successful, potentially benefit the lives of thousands of patients a year with no risk of rejection and with a good quality of life.

**A project leader acknowledged at a European level:** with the backing of the European Commission, CARMAT has been granted the largest subsidy ever given to an SME by Bpifrance; a total of " 33 million.

**Strongly committed, prestigious founders and shareholders:** [Airbus Group](#), Professor [Alain Carpentier](#), the [Centre Chirurgical Marie Lannelongue](#), [Truffle Capital](#), a leading European venture capital firm, and the thousands of institutional and individual shareholders who have placed their trust in CARMAT.

**For more information:** [www.carmatsa.com](http://www.carmatsa.com)

#### Disclaimer

This press release and the information contained herein do not constitute an offer to sell or subscribe to, or a solicitation of an offer to buy or subscribe to, shares in CARMAT ("the Company") in any country. This press release contains forward-looking statements that relate to the Company's objectives. Such forward-looking statements are based solely on the current expectations and assumptions of the Company's management and involve risk and uncertainties. Potential risks and uncertainties include, without limitation, whether the Company will be successful in implementing its strategies, whether there will be continued growth in the relevant market and demand for the Company's products, new products or technological developments introduced by competitors, and risks associated with managing growth. The Company's objectives as mentioned in this press release may not be achieved for any of these reasons or due to other risks and uncertainties.

No guarantee can be given as to any of the events anticipated by the forward-looking statements, which are subject to inherent risks, including those described in the *Document de Référence* filed with the *Autorité des Marchés Financiers* under number D.14-0145 on March 17, 2014 and the *Note d'Opération* that was approved with visa no. 11-308 on July 11, 2011, changes in economic conditions, the financial markets or the markets in which CARMAT operates. In particular, no guarantee can be given concerning the Company's ability to finalize the development, validation and industrialization of the prosthesis and the equipment required for its use, to manufacture the prostheses, satisfy the requirements of the ANSM, enroll patients, obtain satisfactory clinical results, perform the clinical trials and tests required for CE marking and to obtain the CE mark. CARMAT products are currently exclusively used within the framework of clinical trials. They are not available outside these trials or for sale.

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