

CARMAT

PRESS RELEASE

CARMAT launches its IPO on the Alternext of NYSE-Euronext Paris

Paris, 15 June 2010:

Following the registering, by the *Autorité des Marchés Financiers* (AMF), the French stock market authority, of its *Document de base* registration document on 21 May 2010 under reference number I.10-037, CARMAT, the designer and developer of the world's most advanced total artificial heart, announces that on 14 June 2010 the Prospectus relating to its IPO on the Alternext of NYSE-Euronext Paris received AMF visa n°10-180.

The Offering and the listing of the Company's shares on the Alternext of NYSE-Euronext Paris market aim to provide the Company with additional means to finance the development of its total artificial heart, and in particular:

- the finalisation of pre-clinical testing of the total artificial heart (*in vitro* validation tests and biological tests) including the manufacturing and assembly of some forty devices;
- the first clinical trials of the CARMAT total artificial heart in humans, which should take place from the fourth quarter of 2011.

Structure of the offering

The shares offered will be issued within the framework of a Global Offering (the "**Offering**") consisting of:

- a public offering in France in the form of an Open-Price Offer, aimed at individuals (the "**OPO**");
- a Global Placement aimed at institutional investors (the "**Global Placement**"), including:
 - a public offering in France;
 - an international private placement in certain countries, excluding the United States, Canada, Japan and Australia.

Terms of the offering

Capital increase: €15.0 million via the issuance of 800,000 new shares within the framework of a capital increase in cash via a public offering representing 22.15% of the Company's capital and voting rights following the capital increase.

Extension Clause: a maximum of 120,000 additional new shares.

Overallotment Option: a maximum of 138,000 additional new shares.

Indicative price range: €17.35 to €20.15 per share.

Gross proceeds from the issue: €15.0 million, which could be increased to €17.3 million should the entire Extension Clause be exercised and to €19.8 million should the entire Extension Clause and entire Overallotment Option both be exercised (based on the mean price range value of €18.75).

Subscription agreement: EADS group, one of the Company's founding shareholders, has irrevocably pledged to subscribe, within the framework of the Global Placement, up to €5.0 million of new shares issued within the framework of the IPO within the price bracket of between €17.35 and €20.15 per share, a total that will be reduced and limited to the number of shares required for the total number of shares subscribed to within the framework of the IPO to represent 75% of the initial number of shares initially offered, i.e. 600,000 New Shares.

Lock-up agreements: for the Company, from the date of the offering and for a period expiring 180 days after the date of the first listing of the Company's shares on the Alternext of NYSE-Euronext Paris.

All of the Company's current shareholders and holders of marketable securities have pledged to keep 100% of their shares for at least 180 calendar days from the date of the first listing of the Company's shares on the Alternext of NYSE-Euronext Paris, 70% of these shares for 270 calendar days from the date of the first listing of the Company's shares on the Alternext of NYSE-Euronext Paris, and 50% of these shares for 360 calendar days from the date of the first listing of the Company's shares on the Alternext of NYSE-Euronext Paris.

ISIN code: FR0010907956 – **Ticker:** ALCAR

Projected timeline of the operation

14 June 2010	AMF visa for the Prospectus
15 June 2010	Press release announcing the operation NYSE-Euronext publishes the notice relating to the opening of the OPO Opening of the OPO and the Global Placement
6 July 2010	Closing of the OPO at 6 pm CET for subscriptions Closing of the Global Placement at 6 pm CET (unless early close)
7 July 2010	Fixing of the Price of the Offering and possible exercising of the Extension Clause NYSE-Euronext memo relating to the result of the OPO and Global Placement Press release indicating the Price of the Offering and the result Listing of the Company's shares starts on the Alternext of NYSE-Euronext Paris
12 July 2010	Settlement-delivery of shares within the framework of the OPO and Global Placement
13 July 2010	Trading in the Company's shares starts on the Alternext of NYSE-Euronext Paris market
5 August 2010	Latest date for exercising the Overallotment Option End of the possible stabilisation period

Financial intermediaries



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CARMAT, the world's most advanced total artificial heart project

The only credible response for all cases of end-stage heart failure, which is a real public health issue: CARMAT's aim is to be able to 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. Indeed, this disease currently affects over 100 million patients in developed countries. 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 heart failure.

The result of the combination of two types of expertise that are unique in the world: 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 EADS, world aerospace leader.

Imitating the natural heart: given its size, its weight, the choice of structural materials and its innovative physiological functions, CARMAT's total artificial heart could, assuming upcoming clinical trials are successful, potentially benefit the lives of tens of thousands of patients a year whilst ensuring there is no risk of rejection and providing them with an unparalleled quality of life.

Numerous tried and tested technological breakthroughs: the CARMAT artificial heart has already been the subject of thousands of hours of simulations and wear-and-tear tests giving it a lifespan of more than 5 years. Indeed, the CARMAT total artificial heart will have similar reliability to that of an aeroplane making its maiden flight.

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 OSEO; a total of €33 million.

Substantial involvement of prestigious shareholders: Truffle Capital, the leading European venture capital firm, EADS and the Fondation Alain Carpentier.



Availability of the prospectus – Copies of the Prospectus, consisting of the *Document de base* registration document registered with the AMF on 21 May 2010 under reference number I.10-037 and the *Note d'opération* granted visa n°10-180 on 14 June 2010, are available for free on request from CARMAT, *Direction Administrative et financière*, 36 avenue de l'Europe – CS 40533 – 78941 Vélizy Villacoublay Cedex, France, as well as on the AMF French stock market authorities' website (www.amf-france.org) and CARMAT's website (www.carmatsas.com/investisseurs).

Risk factors - We would like to draw your attention to the "risk factors" section of the Prospectus registered by the AMF French stock market authorities. These risk factors are detailed in chapter 4 of the *Document de base* registration document and in section 2 of the *Note d'opération* relative to the operation.

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This announcement does not, and shall not under any circumstances, constitute a public offering or an invitation to the public in connection with any offer of securities. No public offering of securities will be conducted in France or abroad prior to the delivery by the AMF of a visa on a prospectus that complies with the provisions of Directive 2003/71/CE.

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This document is not an offer for sale of the shares of CARMAT in the United States. The shares of CARMAT may not be sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. CARMAT does not intend to register any portion of the offering in the United States or to conduct a public offering of the shares in the United States.

This document contains forward-looking statements. 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 base, changes in economic conditions, the financial markets or the markets in which CARMAT operates.