



PRESS RELEASE

CARMAT announces the success of its capital increase for an amount of €52.9 million after full exercise of the increase option

Paris, December 12, 2017 – 8 pm CET

CARMAT (the “**Company**”), the designer and developer of the world’s most advanced artificial heart project, aiming to provide a therapeutic alternative for people suffering from end-stage biventricular heart failure, announces today the success of its capital increase announced on December 5, implemented without shareholders’ preferential subscription rights by way of a public offering and with a priority subscription period, on an irreducible basis (*à titre irréductible*) only, granted to its existing shareholders (the “**Offering**”), for a total amount (including the issue premium) of €52.9m, after full exercise of the increase option (*clause d’extension*).

The Offering will provide the Company with the means to continue its development and, in particular, in order of priority to finance the PIVOTAL study and the CE marking process, the development of its production capacities, the start of the clinical study in the United States and the commercial launch of its product.

Stéphane Piat, Chief Executive Officer of CARMAT, comments: *“I would like to thank all of the French as well as international historical and new investors, who have contributed to the true success of this capital increase. Thanks to the €52.9 million raised, CARMAT can confidently continue its industrial and clinical development through to the CE marking which is expected in 2019, while simultaneously preparing its commercialization in Europe and clinical strategy in the United States. All our teams are fully on board to make our total artificial heart available to patients suffering from end-stage biventricular heart failure in line with our roadmap.”*

The new shares not subscribed within the priority period as well as the new shares issued pursuant to the exercise of the increase option were subject to a global offering, comprised of an open price public offering in France (the “**Public Offering**”), and a global placement (the “**Global Placement**”) comprised of a private placement in France primarily intended for qualified investors and an international private placement primarily intended for institutional investors in certain countries.

The transaction was oversubscribed (the total amount of the demand was €60.3m) and the subscription price of the new shares was set by the Company’s board of directors on December 12, 2017 at €20 per share, representing a discount of 13.4% on the €23.10 closing price of December 11, 2017 and of 16.7% on the 5-trading day volume weighted average price (the “**VWAP**”) preceding December 12, 2017¹.

The capital increase, of an aggregate amount of €52,900,000, issue premium included, will result in the issuance of 2,645,000 new shares, i.e. 41.5% of the Company’s share capital.

In the context of the priority subscription period granted to them, the demand from the Company’s existing shareholders amounted to €11.0m, representing 20.9% of the total capital increase, of which €6.4m excluding the

¹ The subscription price represents a discount of 26.9% on the 5-trading day VWAP preceding December 4, 2017 (included)

NOT FOR DISTRIBUTION IN THE UNITED STATES OF AMERICA, CANADA, AUSTRALIA OR JAPAN.

subscription commitments described below. International leading investors expressed their intention to subscribe for €46.5m in the framework of the Global Placement, representing 87.8% of the total capital increase, of which €16.6m excluding the subscription commitments described below. Finally, the retail shareholders (existing wishing to subscribe beyond their equity stake within the priority period as well as new shareholders) have expressed their interest in the transaction, their demand amounting to €2.8m.

Subscriptions within the framework of the capital increase, including those from the Company's existing main shareholders (Babalia (family office of Mr. Pierre Bastid), Santé Holdings SRL (family office of Dr. Antonino Ligresti), ALIAD (Air Liquide), the funds managed by Truffle Capital) and Groupe Therabel (a Dutch pharmaceutical industrial group), which committed to participate to the Offering for an amount of €34.5m, were allocated as follows:

	Nb. of existing shares (non-diluted basis)	% of share capital before the Offering	Subscription commitments (in euros)	Subscriptions received (in euros)	o/w on irreducible basis	o/w on reducible basis	Subscriptions (number of new shares subscribed)	Stake in the capital increase	% of share capital after the Offering
Matra Défense (Airbus Group)	1,333,798	20.9%		0	0	0	0	0.0%	14.8%
Funds managed by Truffle Capital	715,369	11.2%	1,000,000	1,000,000	1,000,000	0	50,000	1.9%	8.5%
Professor Alain Carpentier et Association Recherche Scientifique - Fondation Alain Carpentier	663,583	10.4%		0	0	0	0	0.0%	7.4%
Cornovum ¹	458,715	7.2%		0	0	0	0	0.0%	5.1%
Babalia ²	291,710	4.6%	20,000,000	19,999,980	2,106,020	17,893,960	999,999	37.8%	14.3%
Santé Holdings SRL ³	188,882	3.0%	10,000,000	9,999,980	1,363,640	8,636,340	499,999	18.9%	7.6%
ALIAD (Air Liquide)	26,983	0.4%	1,000,000	999,980	194,800	805,180	49,999	1.9%	0.9%
Treasury shares	2,833	0.0%		0	0	0	0	0.0%	0.0%
Groupe Therabel	0	0.0%	2,500,000	2,500,000	0	2,500,000	125,000	4.7%	1.4%
Free float	2,689,671	42.2%		18,400,060	6,376,560	12,023,500	920,003	34.8%	40.0%
Total	6,371,544	100.0%	34,500,000	52,900,000	11,041,020	41,858,980	2,645,000	100.0%	100.0%

To the Company's knowledge, the distribution of the Company's shareholding on the date of the AMF's approval (Visa) on the Prospectus was as follows:

	Existing Shares (non-diluted basis)		Theoretical Voting Rights (non-diluted basis)	
	Number	% of capital	Number of Voting rights	% of voting rights
Matra Défense (Airbus Group)	1,333,798	20.9%	2,315,198	27.0%
Funds managed by Truffle Capital	715,369	11.2%	1,264,839	14.8%
Professor Alain Carpentier et Association Recherche Scientifique - Fondation Alain Carpentier	663,583	10.4%	1,327,166	15.5%
Cornovum ¹	458,715	7.2%	458,715	5.4%
Babalia ²	291,710	4.6%	291,710	3.4%
Santé Holdings SRL ³	188,882	3.0%	188,882	2.2%
ALIAD (Air Liquide)	26,983	0.4%	26,983	0.3%
Treasury shares	2,833	0.0%	2,833	0.0%
Free float	2,689,671	42.2%	2,690,393	31.4%
Total	6,371,544	100.0%	8,566,719	100.0%

¹ Investment vehicle owned equally by the French State and Bpifrance.

² Family office of Mr. Pierre Bastid, having acquired the Existing Shares originally subscribed by ZAKA (another family office of Mr. Pierre Bastid) as part of the Company's private placement executed in 2016.

³ Family office of Dr. Antonino Ligresti.

NOT FOR DISTRIBUTION IN THE UNITED STATES OF AMERICA, CANADA, AUSTRALIA OR JAPAN.

To the Company's knowledge, the distribution of the Company's shareholding following the completion of the capital increase will be as follows:

	Shares (non-diluted basis)		Theoretical Voting Rights (non-diluted basis)	
	Total number of shares	% of capital	Number of Voting rights	% of voting rights
Matra Défense (Airbus Group)	1,333,798	14.8%	2,315,198	20.6%
Funds managed by Truffle Capital	765,369	8.5%	1,314,839	11.7%
Professor Alain Carpentier et Association Recherche Scientifique - Fondation Alain Carpentier	663,583	7.4%	1,327,166	11.8%
Cornovum ¹	458,715	5.1%	458,715	4.1%
Babalia ²	1,291,709	14.3%	1,291,709	11.5%
Santé Holdings SRL ³	688,881	7.6%	688,881	6.1%
ALIAD (Air Liquide)	76,982	0.9%	76,982	0.7%
Groupe Therabel	125,000	1.4%	125,000	1.1%
Treasury shares	2,833	0.0%	2,833	0.0%
Free float	3,609,674	40.0%	3,610,396	32.2%
Total	9,016,544	100.0%	11,211,719	100.0%

¹ Investment vehicle owned equally by the French State and Bpifrance.

² Family office of Mr. Pierre Bastid, having acquired the Existing Shares originally subscribed by ZAKA (another family office of Mr. Pierre Bastid) as part of the Company's private placement executed in 2016.

³ Family office of Dr. Antonino Ligresti.

The exercise of all securities giving access to the Company's share capital at the date of the AMF's approval on the Prospectus (Visa) and the final allocation of all free preferred shares and their conversion, entitling to the maximum possible number of ordinary shares, would result in the issuance of 896,525 new ordinary shares, representing 9.9% of the new share capital of the Company. It is specified that only the Kepler Cheuvreux warrants issued on the date of the AMF's approval on the Prospectus (Visa) were taken into account in the calculation of this number of new additional ordinary shares, it being specified that other warrants should probably be issued in significant numbers to enable Kepler Cheuvreux to respect its commitment to raise the remaining balance of its equity financing line (i.e. €32.2 million as of September 30, 2017). This financing line has been suspended by the Company during the Offering period.

To the Company's knowledge, no other shareholder owns, directly or indirectly, alone or in concert, more than 5% of the capital and voting rights.

The settlement and delivery and the listing on the market of Euronext Growth in Paris of the new shares are expected to take place on December 14, 2017.

This Offering was managed by BNP Paribas and ODDO BHF SCA, acting as Global Coordinators, Lead Managers and Joint-Bookrunners. Portzamparc acted as Co-Lead Manager (BNP Paribas, ODDO BHF SCA and Portzamparc together, the "Managers").

Availability of the Prospectus

The prospectus (the “**Prospectus**”), which received the visa n°17-626 on December 4, 2017, consists of (i) the registration document of the Company filed with the *Autorité des marchés financiers* (the “**AMF**”) on March 22, 2017 under number D.17-0200 (the “**Registration Document**”), (ii) an update to the Registration Document of the Company filed with the AMF on December 4, 2017 under number D.17-0200-A01 (the “**Update to the Registration Document**”) and (iii) a securities note (including a summary of the Prospectus) (the “**Securities Note**”).

Paper copies of the Prospectus are available free of charge at the Company’s registered office, located 36, avenue de l’Europe, Immeuble l’Etendard – Energy III, 78140 Vélizy-Villacoublay. The Prospectus is also available on the Company’s website (www.carmatsa.com) and on the AMF’s website (www.amf-france.org).

Investors are advised to carefully consider the risk factors described in section 2 of the Company’s Registration Document, as updated in the Update to the Registration Document, as well as in section 2 of the Securities Note. Should all or any part of these risk factors materialize, CARMAT’s businesses, financials, results, development or prospects may be negatively affected.

•••

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 (Matra Défense), Professor Alain Carpentier, the Centre Chirurgical Marie Lannelongue, Truffle Capital, a leading European venture capital firm, ALIAD (Air Liquide’s venture capital investor), CorNovum (an investment holding company held 50-50 by Bpifrance and the French State), the family offices of Pierre Bastid (Babalia) and of Dr. Antonino Ligresti (Santé Holdings S.R.L.), Groupe Therabel as well as the thousands of institutional and individual shareholders who have placed their trust in CARMAT.

For more information: www.carmatsa.com

•••

CARMAT
Stéphane Piat
Chief Executive Officer

Benoît de la Motte
Chief Financial Officer
Tel.: +33 1 39 45 64 50
contact@carmatsas.com

Alize RP
Press Relations

Caroline Carmagnol

Tel.: +33 1 44 54 36 66
carmat@alizerp.com



NewCap
Investor Relations &
Strategic Communication

Dusan Oresansky
Emmanuel Huynh

Tel.: +33 1 44 71 94 94
carmat@newcap.fr

Name: **CARMAT**
ISIN code: **FR0010907956**
Ticker: **ALCAR**

•••

NOT FOR DISTRIBUTION IN THE UNITED STATES OF AMERICA, CANADA, AUSTRALIA OR JAPAN.

DISCLAIMER

*With respect to Member States of the European Economic Area that have transposed European Directive 2003/71/EC of the European Parliament and European Council of November 4, 2003, as amended (the “**Prospectus Directive**”), no action has been taken or will be taken to permit a public offering of the securities referred to in this press release requiring the publication of a prospectus in any Member State. Therefore, such securities may not be and shall not be offered in any Member State other than in accordance with the exemptions of Article 3(2) of the Prospective Directive or, otherwise, in cases not requiring the publication of a prospectus under Article 3 of the Prospective Directive and/or the applicable regulations in such Member State.*

*This press release and the information it contains are being distributed to and are only intended for persons who are (x) outside the United Kingdom or (y) in the United Kingdom and are (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”), (ii) high net worth entities and other such persons falling within Article 49(2)(a) to (d) of the Order (“high net worth companies”, “unincorporated associations”, etc.) or (iii) other persons to whom an invitation or inducement to participate in investment activity (within the meaning of Section 21 of the Financial Services and Market Act 2000) may otherwise lawfully be communicated or caused to be communicated (all such persons in (y)(i), (y)(ii) and (y)(iii) together being referred to as “**Relevant Persons**”). Any invitation, offer or agreement to subscribe, purchase or otherwise acquire securities to which this press release relates will only be engaged with Relevant Persons. Any person who is not a Relevant Person should not act or rely on this press release or any of its contents.*

*This press release and the information it contains do not, and will not, constitute a public offering nor an invitation to solicit the interest of public in France, nor an offer to subscribe for or sell, nor the solicitation of an offer to subscribe for or buy, securities of Carmat S.A. in the United States of America or any other jurisdiction where restrictions may apply. Securities may not be offered or sold in the United States of America absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”), it being specified that the securities of Carmat S.A. have not been and will not be registered within the U.S. Securities Act. Carmat S.A. does not intend to register securities or conduct a public offering in the United States of America.*

The distribution of this press release may be subject to legal or regulatory restrictions in certain jurisdictions. Any person who comes into possession of this press release must inform him or herself of and comply with any such restrictions.

Any decision to subscribe for or purchase the shares or other securities of Carmat S.A. must be made solely based on information publicly available about Carmat S.A. Such information is not the responsibility of the Managers and has not been independently verified by the Managers.