HALF-YEAR FINANCIAL REPORT 2016

ABIVAX

Contents

1 LEADERSHIP

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Directors:	Amundson Partners represented by Joy Amundson Claude Bertrand Jean-Jacques Bertrand Dr Dominique Constantini Holding Santé Spa represented by Dr Antonino Ligresti Christian Pierret Jean-Paul Prieels Truffle Capital represented by Antoine Pau

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V.P. Chief Research Officer	Didier Scherrer
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2 HALF-YEAR ACTIVITY REPORT

2.1 ABIVAX - an overview

ABIVAX is an innovative biotechnology company focused on targeting the immune system to eliminate viral disease.

Its flagship product is ABX 464, for treating HIV/AIDS, currently in Phase IIa. It has already proved its antiviral activity and good tolerance in patients and has the potential to lead to a functional cure for the disease.

The antiviral products and immunotherapies developed by ABIVAX arise from three proprietary technological platforms:

- An **"antiviral" technology platform**, based on technologies developed jointly with the CNRS (Montpellier-France) and the Curie Institute (Orsay-France). This platform has generated a chemical library of more than 1000 small molecules which block the intracellular reproduction mechanisms of viruses using a completely new mode of action. In addition to ABX464 which inhibits the replication of HIV, this platform has generated various molecules targeting other viruses such as Chikungunya.

- An **"immune enhancement" technology platform** based on licensed intellectual property from the Scripps Research Institute (La Jolla, United States), the University of Chicago (United States) and the Brigham Young University (Provo, United States). It relates to agonist compounds of "iNKTs" which are powerful adjuvants of the immune system.

- A **"polyclonal antibody" platform** which develops polyclonal antibodies for the treatment and prevention of Ebola virus infections.

ABIVAX has also entered into a partnership with the Cuban Centre for Genetic Engineering and Biotechnology (CIGB), with which it is co-developing ABX 203, an immunotherapy product for the treatment of Chronic Hepatitis B.

With its head office in Paris, ABIVAX conducts its research and development activities in Montpellier and has a workforce of around 25 at these two sites. The ABIVAX management team is able to draw on extensive experience in the development and marketing of biopharmaceutical products in the field of infectious diseases and antivirals. The Company also has an internationally renowned scientific committee made up of eminent experts in their respective fields, and a board of directors the members of which have a wealth of experience gained at major pharmaceutical laboratories and international vaccine manufacturers.

ABIVAX is currently concentrating its efforts on:

- Completing its second Phase IIa study of ABX 464
- Expanding its antiviral platform through the strengthening of its human and technical resources
- Optimizing its lead compounds targeting Chikungunya, and the development of an innovative immuno-treatment for Ebola
- Identifying potential partners for its ABX 196 immune enhancer for applications in immuno-virology and immuno-oncology

2.2 Highlights and activities of ABIVAX in the first half of 2016

- **ABX 464, a novel small molecule capable of inhibiting HIV replication**

ABIVAX discovered ABX464 using its unique and proprietary "antiviral" technological platform (set up in collaboration with the CNRS and the Curie Institute) dedicated to generating small anti-viral molecules with a novel mode of action. The platform is based on biological screening systems, built on a thorough understanding of the processes involved in viral RNA splicing inside human host cells that can reveal the ability of ABIVAX's proprietary chemical compounds to inhibit protein-RNA interactions.

ABX464 is a novel, first-in-class small molecule with unique properties and mode of action. It has not only been demonstrated to inhibit viral replication *in vitro* and *in vivo*, but also to induce a long-lasting reduction of HIV viral load after treatment interruption in animal models. As a result, scientists believe this molecule may be the first of a new class of anti-retroviral drugs, which may lead to a functional cure for HIV patients.

ABX464 is currently in mid-stage clinical testing and could be approved for use in patients as early as 2020. In 2014, two Phase I studies conducted on healthy subjects demonstrated that the product was well tolerated at the anticipated therapeutic doses. In 2015, a phase IIa study in 80 patients infected with HIV provided initial evidence of the activity of ABX464 in humans. Data from this placebo-controlled dose-escalation study, presented in February 2016 during CROI (Conference on Retrovirus and Opportunistic Infections) in Boston MA and in July 2016 during the 21st AIDS Conference in Durban-South Africa, evaluated the safety and efficacy of ABX464 monotherapy in the treatment of naive patients infected with HIV. A reduction in the viral load of at least 0.5 log (more than 68% reduction) was observed in 1 patient out of 6 in the 75 mg group, 2 patients out of 6 in the 100 mg group and 4 patients out of 6 in the 150 mg group. There was no significant variation in the viral load in the 6 patients who received a placebo in these groups. The undesirable effects noted were those typically observed in the context of antiviral treatments.

In order to demonstrate the long-lasting effect in HIV patients, a second Phase IIa study has been initiated in Spain, France and Belgium. Known as ABX464-004, this study is designed to demonstrate the long-term effect of ABX464 on the viral load that had previously been observed during preclinical trials. The study plans to recruit 28 patients suffering from HIV, whose infection is well controlled by "boosted" Darunavir, one of the reference anti-retroviral treatments for AIDS. ABX464 is being administered to 21 of these patients in addition to their regular anti-retroviral treatment (ART). The 7 remaining patients receive a placebo, in addition to their ART. After 28 days, all treatments are stopped, and the study then measures the time to reappearance of the virus in the blood of the patients. The main efficacy criterion of the study is the time to viral load rebound. This rebound has been studied and shown to come from the "HIV reservoir", or pockets of virus hidden in areas of the body that are not affected by the current combinations of ART. The preliminary results of the study will become available before the end of 2016.

ABIVAX has also completed the second key milestone of the Strategic Industrial Innovation Project CaReNa. Started in 2013, this collaborative project led by ABIVAX with the participation of CNRS and Theradiag intends to develop new therapeutic and diagnostic solutions targeting the protein-RNA interactions with HIV/AIDS as the primary indication. The total cost of the project is 18.2 M€, of which 13.6 M€ will be born by ABIVAX. The project benefits from the help of Bpifrance in form of refundable loans and subsidies totaling 7.3 M€, of which 5.2 M€ are used in ABIVAX operations. So far, the Company has received 3.4 M€ and 1.8 M€ are still to come before the end of 2018.

- **ABX 203, an immunotherapy against chronic hepatitis B**

ABX 203 was licensed in 2013 from the CIGB (Center of Genetic and Biotechnological Engineering -Cuba) for a number of Asian, African and European territories.

At the beginning of 2015, ABIVAX initiated an open, randomised and comparative study (ABX 203-002) aimed at evaluating the efficacy of ABX 203 in controlling the hepatitis B virus following the discontinuation of a treatment based on nucleoside analogues (NUC), particularly due to the durable control of the viral load over a longer period compared to the current standard treatments.

In June 2016, a futility analysis was conducted due to an increase in the number of patients taken off the study based on the rebound of their viral load. The outcome of this analysis indicated that a positive result of the study's primary evaluation criterion was improbable.

The development strategy for ABX 203 is currently being reviewed.

- **Restructuring of the research and development organisation**

In October 2015, ABIVAX decided to rationalise its research activities by transferring all of them to the Montpellier site. Consequently, the Evry site closed on 30 April 2016 and ABIVAX moved into brand new premises on the CNRS-Languedoc Roussillon campus comprising the L2 and L3 laboratories required for experiments on infectious agents.

- **Reduction of the stock market price**

On 30 June 2016, the company's stock market price was € 4.59, i.e 78% decrease of its flotation price one year earlier.

2.3 Financial situation and results: notes on the figures

The financial statements of ABIVAX as at 30 June 2016 essentially show:

- **The preponderance of R&D expenses**

The increase in ABIVAX's operating expenses reflected increased research and development expenses comprised of both increased clinical and pre-clinical activities. R&D expenses accounted for the vast majority of ABIVAX's operating expenses: 86% of the total expenses vs 83% in the 1st half of 2015.

The company continues to adhere to its strict policy on limiting administrative expenses whilst actively pursuing its priority research programs and the initiation of its emerging R&D projects.

Given this intense R&D investment, the operating loss has increased by 31% compared with the first half of 2015: as at 30 June 2016 it was 10,617 thousands of euros compared with 8,107 thousands of euros as at 30 June 2015.

The research tax credit recorded as a current asset at the end of June 2016 was 2,086 thousands of euros compared with 1,080 thousands of euros in the first half of 2015.

The net loss, therefore, was 8,274 thousands of euros at 30 June 2016, compared with 7,170 thousands of euros, as of 30 June 2015.

- **Financial resources guaranteeing funding for the main projects at least until the end of 2017**

As of 30 June 2016, the company had 1,101 thousands of euros of available cash plus 25,015 thousands of euros of fixed-term investments and € 2,005 thousands of euros of unit trust/UCITS funds. ABIVAX continues to expect that its financial resources will support the company's operations through at least the end of 2017.

KEY FIGURES

The following tables show the key items from the half-year results drawn up according to French accounting standards, for the 1st half of the 2016 and 2015 financial years, and certain items as at 31 December 2015.

Items in the Income Statement in thousands of euros	**1st half of 2016**	**1st half of 2015**	**Variation**
Total operating income	137	310	(172)
Total operating expenses	10,755	8,416	2,339
of which Research and Development expenses	9,205	6,959	2,246
of which administrative costs and overheads	1,550	1,458	92
Operating income	(10,617)	(8,107)	(2,510)
Financial result	(229)	(142)	(87)
Ordinary result	**(10,846)**	**(8,250)**	**(2,597)**
Extraordinary result	486		486
Tax on income	(2,086)	(1,080)	(1,007)
Result for the period	**(8,274)**	**(7,170)**	**(1,104)**

Financial Items from the Balance Sheet in thousands of euros	**30/06/2016**	**31/12/2015**	**Variation**
Net financial position	27,781	38,722	(10,941)
of which financial fixed assets*			
of which fixed-term deposits (maturing in > 1 year)	10,000	20,000	(10,000)
of which marketable securities	2,005	14,001	(11,996)
of which cash instruments	15,015	5,007	10,008
of which cash in hand	1,101	119	982
(of which financial debts)	(340)	(405)	65
Total assets	66,668	76,268	(9,600)
Total equity	**62,876**	**71,768**	**(8,892)**
of which equity capital	60,543	68,759	(8,216)
of which conditional advances	2,333	3,009	(676)

* Excluding items of the liquidity contract (liquidity and own shares) and deposits & guarantees

OVERVIEW OF THE RESULTS AS AT 30/06/2016

Operating income:

Items in the Income Statement in thousands of euros	**1st half of 2016**	**1st half of 2015**	**Variation**
Sales of goods			
Production sold			
Operating grants	24	291	(267)
Other income	114	19	95
Total operating income	**137**	**310**	**(172)**

Because its projects are at the development stage, the Company generated no turnover during the period.

Operating grants

The grants which appear in the income statement depend on the progress of the project.

In the 1st half of 2015, the recorded grant amount was 255 thousands of euros for the CaReNA project and 35 thousands euros for the RNP Net project.

In the 1st half of 2016, the amount spent on the CaReNA project was not the subject of the payment of a grant. On the other hand, ABIVAX has a European grant for its RNP Net project. In this regard, an income of 24 thousands euros was recorded for the first half of 2016 for a total amount to be received of 30 thousands euros.

Other income

During the first half of 2016, the operating income rose to 114 thousands euros. Most of this amount is linked to the contract with the INRA which has been partially continued. Specifically, an agreement has been reached for a collaboration amount of 110 thousands of euros. The provision which had been created at the end of 2015 to cover this expense has therefore been completely reversed. This reversal appears in other income.

Net operating expenses by type:

Items in the Income Statement in thousands of euros	1st half of 2016	1st half of 2015	Variation
Purchases of raw materials	9	209	(200)
Third-party studies	6,583	4,313	2,270
General subcontracting	107	107	0
Supplies	10	16	(6)
Rent, maintenance and repairs	235	256	(21)
Sundry expenses	210	190	20
Documentation, technological monitoring and seminars	39	20	19
Patents	395	624	(229)
Fees	934	844	90
Assignments and travel	235	228	7
Other purchases and external expenses	8,746	6,597	2,149
Taxes, duties and similar payments	35	66	(31)
Wages and salaries	1,405	1,057	348
Social security expenses	503	411	92
Depreciation	35	36	(1)
Other expenses	22	40	(18)
Total operating expenses	**10,755**	**8,416**	**2,339**

As of 30 June 2016, the operating expenses were 10,755 thousands of euros, i.e. an increase of 28% in relation to the 30th of June 2015.

At the end of 2015, the decision was taken to close the premises in Evry in order to optimise the company's research organisation. As from 2016, laboratory research positions previously located in Evry were transferred to the Montpellier site and management and administration staff were transferred to the head office in Paris. As at 30 June 2016, the company's workforce consisted of 24 people split between its Paris head office and its Montpellier laboratories.

This restructuring incurred costs, in particular staff costs, had no effect on the pre-tax result as at 30/06/2016. Specifically, a risk provision of 253 thousands of euros had been made as at 31 December 2015. The total cost of the restructuring was 251 thousands of euros and the provision has been recovered in full as at 30 June 2016.

The other accounting effects of the closure of the site for the first half of 2016 are an expense of 30 thousands of euros linked to the move to Montpellier of the technical materials and the first four months of rent relating to the Evry premises for a total amount of 64 thousands of euros.

The operating expenses are 81% composed of "other purchases and external expenses". 76% of the amount of "other purchases and external expenses" concerns third-party studies and subcontracting (clinical and toxicology studies, development of industrial processes, etc.) (67% for the same period in 2015) thus reflecting the acceleration of the company's major research programmes: the phase IIb/III clinical studies for the ABX 203 project and the phase I and IIa clinical studies for the ABX 464 project.

The reduction in patent costs in relation to the previous year arises from the fact that, during the first half of 2015, the Company had to face the non-recurring costs of registering numerous patents, in particular with regard to the "adjuvants" platform.

The increase in the "fees" item is mainly linked to the regulatory activities required in view of the progress of the R&D programmes.

The "wages and social security expenses" item has increased in relation to the 1st half of 2015 mainly because of the impact of the Evry closure (251 thousands of euros). However, this does not affect the result for the period due to the reversal of the provision booked in extraordinary income at the end of December 2015.

The social security expenses include a provision of 20 thousands of euros linked to the tax credit for competitiveness and employment (CICE) for the 1st half of 2016.

Overall, the increase in the resources devoted to research in the first half of 2016 was reflected in an operating loss that was 16% higher than in the first half of 2015.

Financial result:

Items in the Income Statement in thousands of euros	**1st half of 2016**	**1st half of 2015**	**Variation**
Financial income	81	3	78
Financial expenses	310	146	164
Financial result	**(229)**	**(142)**	**(87)**

The financial income is broken down as follows:

in thousands of euros	**Amount**
Fixed-term creditor interest	55
Default interest linked to the late repayment of the Research Tax Credit (CIR) 2014	23
Exchange gain	3
Total	**81**

As the price of the shares has depreciated since the beginning of the year, particularly during the last days of June, the market value of these shares as of 30 June 2016 was much less than their purchase value.

This difference in value led to the recording of an additional provision for financial depreciation of 289 thousands of euros.

The financial expenses are also made up of the accrued interest to be paid in the context of the CaReNA project for an amount of 15 thousands of euros.

Net result:

Items in the Income Statement in thousands of euros	**1st half of 2016**	**1st half of 2015**	**Variation**
Ordinary result before tax	(10,846)	(8,250)	(2,597)
Extraordinary result	486		486
Taxes on income (CIR)	2,086	1,080	1,007
Loss	**(8,274)**	**(7,170)**	**(1,104)**

Extraordinary result

In the course of the 1st half of 2016, because of the closure of the Evry site, the provision has been reversed for an amount of 253 thousands of euros.

In parallel, the BPI announced its acceptance of two failure reports relating to terminated cancer projects. These failure reports resulted in a debt waiver by Bpifrance for 425 thousands of euros recorded in extraordinary income.

These two incomes were partly offset by the loss on the sales of its own shares for 182 thousands of euros.

Taxes on income (Research Tax Credit)

The Research Tax Credit (CIR) for the first half of 2016 is estimated to be 2,086 thousands of euros. This does not take account of the expenses which will be incurred in the second half of 2016 and the reimbursable advances or grants not received as at 30 June 2016.

Net Income

Because of the expenses generated by the flagship research and development programmes, the net loss increased by 15% over the first half of 2016, amounting to 8,274 thousands of euros compared to 7,170 thousands of euros over the same period in 2015.

OVERVIEW OF THE BALANCE SHEET AS AT 30/06/2016

Intangible fixed assets

During the second half of the 2014 financial year, three mergers took place: Wittycell and Zophis were absorbed on 31 July 2014 and Splicos was absorbed on 31 October 2014 by ABIVAX. These three transactions gave rise to the recording of goodwill in place of equities received by way of contribution in asset for a total sum of 32,745 thousands of euros.

This goodwill represents the differences between the net assets received as measured at the effective accounting date and the book value of the holdings at Abivax for each of the companies absorbed. It represent technical deficits and not financial deficits, since they account for the value of the research and development costs incurred by these three predecessor companies that was recognised by Abivax upon acquisition of the holdings plus that of the research and development programmes undertaken in early 2014. These research costs had indeed not been capitalised by the three dissolved companies, which had instead accounted for them as costs when incurred.

Financial fixed assets

The financial fixed assets principally comprise items relating to the liquidity contract entered into by the company at the end of June 2015 and guarantee deposits paid for premises occupied by the company.

The liquidity contract was signed on 26 June 2015 for a period of 12 months and renews automatically unless cancelled. The sum paid to the service provider at the outset of the contract was 1,000 thousands of euros and the first operations enabling a reserve of securities to be created took place between 26 and 29 June 2015.

As at 30 June 2016, the company held 52,100 of its own shares via this liquidity contract, i.e. less than 10% of its capital, for an acquisition cost of 672 thousands of euros. The cash account at the service provider had a balance of 130 thousands of euros.

The transactions linked to the liquidity contract are recorded in the summary table below:

in thousands of euros	Quantity	Average price in euros	Book value of the stock held	Other financial fixed assets
Beginning of the contract				**1,000**
Purchases	54,537	18.45	1,006	(1,006)
Sales	11,091	18.18	202	202
Gains or losses made				
Balance as at 31 December 2015	43,446	18	788	196
Purchases	32,861	10.84	356	(356)
Sales	24,207	12.00	290	290
Gains or losses made			(182)	
Balance as at 30 June 2016	52,100	13	672	130

The share price as at 30 June 2016 is 4.59 euros. The stock market value of the self-held shares as at 30 June 2016 is therefore 239 thousands of euros.

A depreciation has been recorded for the evaluation difference of the 52,100 shares. As at 30 June 2016, the amount of the depreciation is 433 thousands of euros.

Receivables:

The receivables are mainly made up of:

in thousands of euros	Amount
Balance outstanding on CIR 2014 (including default interest)	236
CIR as at 31/12/2015*	2,834
CIR estimate as at 30 June 2016	2,086
CICE as at 31 December 2015**	24
CICE estimate as at 30 June 2016	20
Recoverable VAT and VAT credits	576
Grants to be received	30
Accounts receivable from staff	4
Other receivables	21
Advances and down-payments made on orders	55

*Received on 18 August 2016

**Received on 30 August 2016

Marketable securities:

The marketable securities are made up as follows:

in thousands of euros	30/06/2016	Available without notice	25/07/2016	25/12/2016	25/06/2018
Term deposits	25,015	15	5,000	10,000	10,000
Unit trust and UCITS funds	2,005	2,005			
Total	27,020	2,015	5,000	10,000	10,000

Share capital

Following the exercise of 208 BCE-2014-3 warrants on 22 December 2015, giving rise to the creation of 20,800 company shares, on 18 January 2016 the Board of Directors recorded an increase in the share capital of € 208 from € 96,760.89 to € 96,968.89.

On 11 April 2016, 5,200 Company shares were subscribed by exercising 52 BSA 2014-6 warrants. This increase in capital has not yet been recorded by the Board of Directors.

Note 6 of the annex to the half-year accounts makes additional specifications regarding the equity capital and the dilutive financial instruments that are currently valid.

On the date of the present half-year financial report, the Company's share capital is 96,968.89 euros, divided into 9,702,089 shares.

Conditional advances

The variation between 31 December 2015 and 30 June 2016 is summarised as follows:

in thousands of euros	Balance as at 31/12/2015	Advances received	Advances repaid	Advances abandoned	Balance as at 30/06/2016
BPI – CaReNA*	2,158	29			2,187
BPI A0805001G	375		250		125
BPI and Languedoc-Roussillon Region Cancer Project - A0904010J**	170			170	
BPI and Languedoc-Roussillon Region Cancer Project - A1008005J**	255			255	
Total	2,958	29	250	425	2,312

* Excluding accrued interest

** The failure report has been accepted by Bpifrance releasing the company from its repayment obligations. The remaining amount owed on this date, i.e. € 170,000 for cancer project A0904010J and € 255,000 for cancer project A1008005J, has been recorded in other extraordinary income for the first half of 2016.

Other loans and financial debts

In the first half of 2015, the loans and financial debts consisted of:

- 1,450 thousands of euros current account advance by FCPI [mutual fund for innovation] shareholders repaid from July 2015
- 405 thousands of euros still to be repaid in the context of the adjuvant project (BPI A106002G) for a project to develop new vaccine adjuvants and clinical assessment, in continuity with dossier A0805001G signed with Wittycell in 2010.

In the first half of 2016, taking account of the repayments already made, 340 thousands of euros still remains to be repaid in respect of the adjuvant project (BPI A106002G).

2.4 Principal risk factors

On the occasion of its introduction on Euronext – section B, in June 2015, ABIVAX had set out the risk factors likely to affect it in the Base Document, available on its website. More recently, the said risk factors were updated in the Annual Financial Report 2015.

This document is available on the Company's website at the address www.abivax.com.

The Company reiterates, as indicated in the Base Document mentioned above, that its activities are essentially based on Research and Development operations in the field of biotechnologies, aimed at discovering, developing and marketing novel antiviral drugs and immunotherapy products for the treatment of potentially fatal infectious diseases.

The future of the Company depends on the success of clinical development and, where appropriate, on the transfer or concession to an industrial third party of the development and/or marketing rights of one of its products.

3 HALF-YEAR ACCOUNTS AS AT 30 JUNE 2016

3.1 Income statement

Items in the Income Statement in thousands of euros	**1st half of 2016**	**1st half of 2015**	**Variation**
Operating income	**137**	**310**	**(172)**
Production sold	0	0	0
Operating grants	24	291	(267)
Other income	114	19	95
Operating expenses	**10,755**	**8,416**	**2,339**
Purchases of raw materials and supplies	9	209	(200)
Other purchases and external expenses	8,746	6,597	2,149
Taxes and duties	35	66	(31)
Wages and social security expenses	1,907	1,468	439
Depreciation and provisions	35	36	(1)
Other expenses	22	40	(18)
Operating result	(10,617)	(8,107)	(2,510)
Financial income	81	3	78
Financial expenses	310	146	164
Financial result	(229)	(142)	(87)
Ordinary result	(10,846)	(8,250)	(2,597)
Extraordinary result	486	0	486
Taxes on income (CIR)	2,086	1,080	1,007
Result for the period	**(8,274)**	**(7,170)**	**(1,104)**

3.2 Balance sheet

ASSETS in thousands of euros	Note	30/06/2016	31/12/2015	Variation
Fixed assets				
Intangible fixed assets	3	32,005	32,005	0
Concessions, patents, licences, software	3	3	3	0
Tangible fixed assets				0
Technical plant, industrial machinery and equipment	3	126	152	(26)
Other tangible fixed assets	3	16	19	(3)
Financial fixed assets				0
Other financial fixed assets	3	464	933	(469)
Total		32,614	33,113	(499)
Current assets				
Receivables	4	5,886	3,909	1,977
Cash instruments				
Marketable securities		27,020	39,008	11,988
Cash balances	5	1,101	119	982
Deferred charges	4	47	118	(71)
Total		34,054	43,154	(9,100)
Grand Total		**66,668**	**76,268**	**(9,600)**

LIABILITIES in thousands of euros	Note	30/06/2016	31/12/2015	Variation
Equity capital				
Capital	6	97	97	0
Issue, merger and contribution premiums	6	89,765	89,707	58
Retained earnings	6	(21,045)	(5,091)	(15,954)
Result for the period (profit or loss)		(8,274)	(15,954)	7,680
Total		60,543	68,759	(8,216)
Other equity				0
Conditional advances	8	2,333	3,009	(676)
Total		2,333	3,009	(676)
Provisions				0
Provisions for risks and expenses	7	12	370	(358)
Total		12	370	(358)
Debts				0
Convertible bonds	9	46		46
Other loans and financial debts	9	340	405	(65)
Trade accounts payable	9	2,671	2,808	(137)
Tax and social security debts	9	716	915	(199)
Other debts		7	1	6
Deferred income				0
Total		3,779	4,130	(351)
Grand Total		**66,668**	**76,268**	**(9,600)**

3.3 Cash flow statement

in thousands of euros	30/06/2016	31/12/2015	Variation
Cash flow from operating activity			
Operating result	(10,617)	(18,256)	7,639
+ Depreciation charges (excluding allowances on current assets)	(75)	136	(211)
- Change in operating receivables	119	(137)	256
+ Change in operating debts	(192)	1,759	(1,951)
= Net operational cash flow	(10,765)	(16,498)	5,733
- Financial expenses	(6)	(191)	185
+ Financial income	58	53	5
- Extraordinary operating expenses	(2)	0	(2)
+ Extraordinary operating income	1	0	1
- Change in other operating receivables	141	1,659	(1,518)
+ Change in other operating debts	(194)	74	(268)
= Net cash flow from operations (A)	(10,767)	(14,904)	4,137
Cash flow from investment activity			0
- Acquisitions of fixed assets	(372)	(1,025)	653
+ Transfers of fixed assets	295	202	93
+ Decrease in financial fixed assets		2	(2)
+/- Change in debts and receivables related to investments	66	(196)	262
= Net cash flow from investments (B)	(11)	(1,016)	1,005
Cash flow from financing activity			0
+ Capital increase in cash and payments by shareholders	58	55,834	(55,776)
+ Issuing of loans and repayable advances received	29	2,000	(1,971)
- Repayment of loans and repayable advances	(315)	(483)	168
+/- Change in debts and receivables related to financing activity	0	(5,224)	5,224
= Net cash flow from financing activity (C)	(228)	52,126	(52,354)
Change in cash position (A+B+C)	**(11,006)**	**36,206**	**(47,212)**
+ Opening cash	39,127	2,921	36,206
= Closing cash*	**28,121**	**39,127**	**(11,006)**

Cash as stated is the sum of Marketable securities and Cash balances as disclosed in the Balance sheet

* The net financial position after deduction of the financial debts of € 340,000 is € 27,781,000

3.4 Statement of changes in equity capital

in thousands of euros	Number of shares issued	Capital	Premiums	BSA warrants	Retained earnings	TOTAL
As at 31 December 2014	69,150	69	35,674	0	(5,091)	30,653
Share split - AGM 20 February 2015	6,915,000					
Capital increase - Board meeting 23 June 2015	2,707,089	27	57,634			57,661
Issue costs			(3,774)			(3,774)
Capital increase by exercise of founders' warrants (BCE)	74,800	1				1
Subscription warrants (BSA) issued				173		173
Loss for 2015					(15,954)	(15,954)
As at 31 December 2015	9,696,889	97	89,534	173	(21,045)	68,759
Capital increase by exercise of founders' warrants (BSA)	5,200		0			0
Subscription warrants (BSA) issued				58		58
Loss for 1st half of 2016					(8,274)	(8,274)
As at 30 June 2016	9,702,089	97	89,534	231	(29,319)	60,543


ABIVAX