PRESS RELEASE

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ERYTECH TO RAISE €70.5 MILLION IN A PRIVATE PLACEMENT TO U.S. AND EUROPEAN INVESTORS

- **Issue of 3,000,000 new shares at 23.50 euros, representing approximately 25.55% of the Company's issued share capital after completion of the transaction**

Lyon (France), April 13, 2017 – ERYTECH Pharma (Euronext Paris - ERYP), the French clinical-stage biopharmaceutical company developing innovative therapies by encapsulating therapeutic drug substances inside red blood cells, (the "Company"), announces today that, in connection with the anticipated completion of a capital increase of 3,000,000 new ordinary shares reserved, it has obtained commitments from qualified investors in the United States and in Europe to purchase ordinary shares of the Company in a private placement reserved for a specified category of investors described below (the "Reserved Offering"). Total gross proceeds from the Reserved Offering placement are expected to be €70.5 million, before deducting fees and expenses. Jefferies International Limited acted as Sole Global Coordinator and acted together with Cowen and Company, LLC and Oddo & Cie as Joint Bookrunners in the Reserved Offering.

The Company expects to use the proceeds from this capital increase to provide the Company with additional resources in order to fund the continued clinical development of its product candidates, and notably, by order of priority:

- mainly, to finance preparatory steps for the launch of a potential Phase 3 for the pancreatic cancer indication and notably (i) the recruitment of team in charge of the preparation of future clinical developments, and (ii) the increase of its production unit in Europe and in the United States and to streamline its manufacturing processes; and
- to assess the clinical development opportunities of eryaspase (GRASPA) for the treatment of other solid tumor indications; and
- to use the remainder for general corporate purposes and working capital to strengthen the Company's financial position

The Company intends to use approximately half of the proceeds from the proposed Reserved Offering to carry out the preparatory steps for the launch of the potential Phase 3 for the pancreatic cancer indication as mentioned above, based on the current assessment of its associated cost of preparatory steps.

"We believe the proceeds of this capital increase will enable us to engage in the Company's next development phase. More specifically, and following the recent announcement of positive Phase 2b data from our clinical study evaluating eryaspase for the treatment of metastatic pancreatic cancer, we look forward to pursuing further clinical development in that indication. In addition, those promising results in the pancreatic cancer indication have lead us to evaluate the potential of eryaspase for the treatment of other solid tumor types, and confirm our strategic plan to expand our platform's potential to additional therapeutic indications," commented Gil Beyen, Chairman and CEO of ERYTECH Pharma. "We are grateful for the strong and renewed support from our shareholders that participated in this capital raise. And we are particularly pleased with the commitment and trust from new institutional investors that invested in this transaction. This raise will allow us to further the clinical development of our product candidates and pipeline, while also strengthening ERYTECH's financial structure and continuing to expand our shareholder base, particularly in the U.S."

The Company has active development programs evaluating GRASPA in acute lymphoblastic leukemia (ALL), acute myeloid leukemia (AML) and pancreatic cancer, as well as other development initiatives for additional indications and product candidates.

Admission of the new shares

The new shares are entitled to current dividend rights and will be immediately fungible in existing shares as of the settlement and delivery date. The new shares will be admitted to trading on the Euronext Paris under ISIN FR0011471135 – ERYP as of the settlement and delivery of this capital increase, which is expected to occur on Wednesday, April 19, 2017.

Following the settlement and delivery of this capital increase, the share capital of the Company will be 1,174,064.80 euros, composed of 11,740,648 shares with a nominal value of €0.10.

Reminder of the main terms of the share capital increase

3,000,000 new shares were placed with a nominal value of €0.10, at a price of €23.50 per share, including share premium, for a total amount subscribed of €70.5 million, representing approximately 25.55% of the share capital of the Company.

The issue price of the new shares represented a discount of 5.62% from the closing price on April 12, 2017 and 6.37% from the weighted average share price of the Company's shares on the regulated market of Euronext Paris during the 20 trading days preceding the determination of the issue price on April 12, 2017.

On an illustrative basis, a shareholder holding 1% of the Company's share capital before the issuance and who did not participate in the Reserved Offering will now hold a stake of 0.74% after the transaction.

The share capital increase of the Company, authorized by the board of directors held on April 12, 2017, was carried out by issuing ordinary shares without shareholders' preferential subscription rights under the provisions of Article L. 225-138 of the French Commercial Code and pursuant to the 23rd resolution of the general meeting of the shareholders of the Company held on June 24, 2016. The Reserved Offering was open only to investors who met the category defined in the above-mentioned resolution, i.e. natural or legal persons, including commercial or industrial companies, or investment funds governed by French or foreign law and regularly investing in pharmaceutical and/or biotechnological, or technological sector or to French or foreign investment service providers or any foreign establishment with an equivalent status, likely to guarantee the completion of such an operation and, in this context, likely to subscribe to the securities issued.

In relation to the Reserved Offering, the Company has entered into a lock-up agreement, which contemplates a 90-day standstill period on future share issuances, and the Company's board members and key executive officers who own shares of the Company have also entered into lock-up agreements restricting disposals of the shares they currently own for the same period, in each case, subject to certain customary exceptions and waiver by the joint bookrunners and ending 90 days after the settlement and delivery of the new shares in the Reserved Offering.

Pursuant to the placement and underwriting agreement entered into between the Company, Jefferies International Limited, Cowen and Company, LLC, and Oddo & Cie, as placement Agents, the settlement and delivery of the part of the offering placed with investors outside of the U.S. is guaranteed by Jefferies International Limited and Oddo & Cie.

Shareholding of the Company following the capital increase

	SHAREHOLDERS	Number of Shares	% of the share capital	%of the voting rights
NOMINATIVE	***MANAGEMENT***	**2,630**	**0.02%**	**0.03%**
	Jérôme BAILLY	280	0.00%	0.00%
	Other management	2,350	0.02%	0.03%
	FINANCIAL INVESTORS	**1,018,212**	**8.67%**	**15.31%**
	AURIGA Partners**	1,018,212	8.67%	15.31%
	RECORDATI ORPHAN DRUGS	**431,034**	**3.67%**	**6.48%**
	MEMBRES DU CA	**10,300**	**0.09%**	**0.10%**
	AUTRES ACTIONNAIRES	**178,557**	**1.52%**	**2.17%**
	SUJB--TOTAL NOMINATIVE	***1,640,733***	***13.97%***	***24.08%***
BEARER	**Treasury Shares**	**2,500**	**0.02%**	**0.00%**
	FINANCIAL INVESTORS	**2,605,494**	**21.75%**	**19.58%**
	*Baker Bros**	1,808,268	15.40%	13.59%
	*JP Morgan**	797,226	6.79%	5.99%
	Floating	**7,491,921**	**63.81%**	**56.33%**
	SUB-TOTAL BEARER	***10,099,915***	***86.03%***	***75.92%***
	TOTAL	**11,740,648**	**100.00%**	**100.00%**

* Based on latest threshold crossing notifications and information available

** Based on latest threshold crossing notifications and information available, AURIGA Partners holds 129,310 additional bearer shares, bringing its total participation to 9.77 % of the share capital and 16.28 % of the voting rights.

Information available to the public

The Company draws the public's attention to the listing prospectus comprising the 2016 Reference Document (*Document de Référence*) of the Company registered with the French Autorité *des Marchés Financiers* (the "**AMF**") on March 31, 2017 under number D. 17-0283 and a Securities Note (*Note d'opération*), including a summary of the prospectus that will be subject to a *visa* application with the AMF. The attention of the public is drawn to the risk factors section that will be presented at section 2 of the Securities Note. Detailed information regarding the Company, including its business, results of operations and related risk factors are contained in the 2016 Reference Document and can be accessed, together with other regulated information and all of the Company's press releases, on the Company's website.

About ERYTECH: www.erytech.com

Founded in Lyon, France in 2004, ERYTECH is a clinical-stage biopharmaceutical company developing innovative therapies for rare forms of cancer and orphan diseases. Leveraging its proprietary ERYCAPS platform, which uses a novel technology to encapsulate therapeutic drug substances inside red blood cells, ERYTECH has developed a pipeline of product candidates targeting markets with high unmet medical needs. ERYTECH's initial focus is on the treatment of blood cancers, including acute lymphoblastic leukemia (ALL) and acute myeloid leukemia (AML), by depriving tumors of nutrients necessary for their survival. ERYTECH plans to pursue regulatory approvals for its lead product candidate, eryaspase, also known as ERY-ASP or under the trade name GRASPA®, having achieved positive efficacy and safety results from its completed Phase 2/3 pivotal clinical trial in Europe in children and adults with relapsed or refractory ALL. ERYTECH also has an ongoing Phase 1 clinical trial of eryaspase in the United States in adults with newly diagnosed ALL, and a Phase 2b clinical trial in Europe in elderly patients with newly diagnosed AML, each in combination with chemotherapy. ERYTECH believes that eryaspase also potential as a treatment approach in solid tumors. The Company has successfully completed a Phase 2 clinical study evaluating eryaspase in patients with second line metastatic pancreatic cancer.

Eryaspase consists of an enzyme, L-asparaginase, encapsulated inside donor-derived red blood cells. L-asparaginase depletes asparagine, a naturally occurring amino acid essential for the survival and proliferation of cancer cells, from

circulating blood plasma. ERYTECH produces eryaspase at its own GMP-approved and operational manufacturing site in Lyon (France), and at a site for clinical production in Philadelphia (USA). ERYTECH has entered into licensing and distribution partnership agreements for eryaspase for ALL and AML in Europe with Orphan Europe (Recordati Group), and for ALL in Israel with TEVA, which will market the product under the GRASPA® brand name. The European Medicines Agency (EMA) and the U.S. Food and Drug Administration (FDA) have granted orphan drug designations for eryaspase for the treatment of ALL, AML and pancreatic cancer.

In addition to eryaspase, ERYTECH is developing two other product candidates that focus on using encapsulated enzymes to induce tumor starvation. The company is also exploring the use of its ERYCAPS platform for developing cancer immunotherapies and enzyme replacement therapies.

ERYTECH is listed on Euronext regulated market in Paris (ISIN code: FR0011471135, ticker: ERYP) and is part of the CAC Healthcare, CAC Pharma & Bio, CAC Mid & Small, CAC All Tradable, EnterNext PEA-PME 150 and Next Biotech indexes. ERYTECH is also listed in the U.S. under an ADR level 1 program (OTC, ticker EYRYY).

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This press release contains certain forward-looking statements. Although the Company believes its expectations are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties, which could cause actual results to differ materially from those anticipated in such forward-looking statements. For a discussion of risks and uncertainties which could cause the Company's actual results, financial condition, performance or achievements to differ from forward-looking statements, please refer to the Risk Factors section of the Company's registration document (document de reference) filed with the AMF on March 31, 2017 under number D. 17-0283, which is available on the AMF website (www.amf-france.org) and on the Company's website (http://erytech.com).

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