

Bone Therapeutics Provides Business Update for the Fourth Quarter of 2015

- **Cash and cash equivalents of EUR 33.6 million¹ on 31 December 2015, in line with expectations**
- **EUR 5 million new funding granted by the Walloon Region in 2015**
- **Thomas Lienard appointed as Chief Business Officer**
- **Orphan Drug Designation for ALLOB® in osteogenesis imperfecta in Europe and the US**
- **Recruitment on track for spinal fusion trial with 75% of patients treated to date**

Gosselies, Belgium, 17 February 2016 – BONE THERAPEUTICS (Euronext Brussels and Paris: BOTHE), the bone cell therapy company addressing high unmet medical needs in the field of bone fracture repair and bone fracture prevention, today provides a trading update ahead of the Company's Full Year 2015 results on 14 April 2016.

Enrico Bastianelli, CEO of Bone Therapeutics, commented: *"Since our IPO last year, we have reported solid clinical achievements demonstrating the absence of safety concerns in all ongoing trials including our Phase II osteoporosis trial with our autologous product PREOB®. With three ongoing Phase II trials with our new allogeneic off-the-shelf cell therapy product, ALLOB®, the program is well on its way with more than 20 patients treated without any safety concerns so far.*

"We have also been able to manage cash flow effectively with further support from non-dilutive grants from the Walloon Region, resulting in a cash position at year end, well in line with our expectations. We start 2016 from a position of strength and look forward to reporting further efficacy results from across the pipeline, demonstrating the value of our unique cell therapy products."

Financial highlights

The Company ended the fourth quarter of 2015 with EUR 33.6 million¹ in cash, which was well in line with company expectations.

During the last quarter of 2015, the Company was awarded EUR 5 million in new funding from the Walloon Region to support its preclinical research projects, an amount equalling 13.5% of the Company's IPO proceeds.

Operational and corporate highlights

Recruitment of the first half of patients in the ALLOB® Phase IIA spinal fusion trial was completed in December. Eight out of a total of 16 patients were treated without any complications or safety issues.

In November, the Company's allogeneic bone cell therapy product, ALLOB®, received orphan drug designation from the EMA and FDA for osteogenesis imperfecta, a rare genetic disorder that causes bone fragility, fractures and deformities.

The Company welcomed Thomas Lienard to the team as Chief Business Officer in November. Mr Lienard has assumed responsibility for activities in business development, business operations and strategic planning.

Post period highlights

Post-period, the Company announced that 12 patients have now been treated in the Phase IIA spinal fusion trial, thus completing 75% of recruitment.

The full 2015 Annual Results will be announced on April 14, 2016.

¹ Unaudited figure

-Ends-

Regulated information

17 February 2016

● **About Bone Therapeutics**

Bone Therapeutics is a leading biotechnology company specializing in the development of cell therapy products intended for bone fracture repair and fracture prevention. The current standard-of-care in this field involves major surgeries and long recovery periods. To overcome these problems, Bone Therapeutics is developing a range of innovative regenerative products containing osteoblastic/bone-forming cells, administrable via a minimally invasive percutaneous technique; a unique proposition in the market.

PREOB[®], Bone Therapeutics' autologous bone cell product, is currently in pivotal Phase IIB/III clinical studies for two indications: osteonecrosis and non-union fractures, and in Phase II for severe osteoporosis. ALLOB[®], its allogeneic "off-the-shelf" bone cell product, is in Phase II for the treatment of delayed-union fractures and lumbar fusion for degenerative disease of the spine, including a minimally invasive therapy for failed spinal fusions. The Company also runs preclinical research programs and develops novel product candidates.

Founded in 2006, Bone Therapeutics is headquartered in Gosselies (South of Brussels, Belgium). Bone Therapeutics' regenerative products are manufactured to the highest GMP standards and are protected by a rich IP estate covering 11 patent families. Further information is available at: www.bonetherapeutics.com.

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