



Press
release

Montpellier (France), September 17, 2018 - 8:00 am CEST

2018 half-year results

Repositioning of the offer and restructuring show their first positive effects

- Revenue up +8%
- Several multi-year partnership agreements signed
- Operative income improved by +27% thanks to further rationalization of costs

Intrasense (FR0011179886 - ALINS), specialist in medical imaging software solutions and designer of Myrian®, announces its half-year results at June 30, 2018, approved by the board of directors on September 13, 2018.

« In the first half-year of 2018, the repositioning of our offers addressing new B to B targets gave us a rebound in growth of +8%, first sign of an accelerating development on much larger markets. » Nicolas Reymond, Chief Executive Officer of Intrasense, underlines.

« This dynamic growth of activity is sustainably initiated, through several multi-year partnership agreements signed with industrials since the end of 2017. These early successes validate the relevance of our Myrian® Imaging Layer and Myrian® Studio offers on these new markets. The close cooperation established with our industrial and scientific international partners has enabled us to continue the functional enhancement of Myrian®, a key support for developing innovative Artificial Intelligence solutions.

We also have implemented a complementary cost-saving plan as early as February 2018, enabling an additional cut in costs by -9%, despite restructuring costs.

Our new strategy, our offers repositioning, and the market development initiatives conducted on the first half-year are strong supports to continue our record of growth. The proposed combination with DMS Group, still under discussion, should also provide a facilitated access to high potential key accounts.



Achieving our goals on the first half-year and with the secured cash position guaranteed by a comprehensive and transparent funding agreement, we are positioned for our breakeven plan. » Nicolas Reymond concludes.

Financial results for 2018 half-year

<i>In k€</i>	June 30 2018	June 30 2017	Variation %
Net sales	1.277	1.184	+8%
Operating profit	1.719	1.683	+2,1%
Operating costs	2.481	2.724	-8,9%
Operating income	-761	-1.040	+26,8%
Financial income	-66	-54	-22,6%
Net recurring income before tax	-827	-1.094	+24,4%
Net income	-892	-879	-1,4%

Income supported by key account activity and sales growth in Europe and Asia

Thanks to [the evolution of the whole offer](#) addressing new, larger and high-potential markets, our 2018 first half-year sales reach 1.277 k€, up +8%.

In France, historical market of European business, sales increased +33% versus 2017 first half-year and represent 42% of total sales, on a turnover of 536 k€. This good performance was driven by sales of Myrian® Imaging Layer offer, which allowed the signing of multi-year contracts projects of a regional scope (like for example in Lorraine and Vaucluse), and with Evolucare, a European leader of hospital information systems.

The international sales also grew by +1,6% on half-year, driven by the strong performance of the Asian market representing today 25% of total sales. The multi-year cooperation contracts for Myrian® Studio use, signed with MinFound Medical Systems – a leading manufacturer of medical imaging equipment in China – and with 12Sigma Technologies – Chinese-American pioneer actor of Artificial Intelligence and « deep learning » - will facilitate access to new hospitals and leading actors in China and USA.



Europe, China and USA represent the three priority markets for Intrasense. To intensify its presence in USA, the company decided to strengthen its sales force in 2018, including to establish more strongly Myrian® Studio. This zone represents 11% of total sales against 8% in 2017.

The operating profits account 1.719 k€ and rose by +2,1% : they include a part of grants received for its participation in innovative research projects of international dimension ([HECAM](#), [HYPMED](#)).

Operating costs reduction provided by a savings plan

To accelerate the reaching of operating result break-even, a savings plan has been decided, announced and deployed in 2018. Its impact of 180 k€ on accounts of the six months ended June 30, 2018 has been integrated in exceptional costs.

With implementation of this savings plan, operating expenses came to 2.481 k€ versus 2.724 k€ in the first half-year of 2018, and decreased by -8,9%.

Overhead costs have yet again diminished, by -19,4% (-133 k€) compared to the first half-year of 2017, as a result of economy efforts and rationalization of travel costs.

The wages and salaries item also experienced a reduction by -193 k€ (-13,2%) following the departure plan and the organization optimization conducted in early 2018.

The operating income was -761 k€ on the first half-year, with a particularly significant increase of +26,7% compared to the same period a year earlier.

Because of the reorganization of the Research and development activities, the company has a "Research Tax Credit" available amounting to 115 k€ on this first half-year against 250k€ in 2017.

After considering the financial result (-66 k€), the extraordinary result (-180 k€) and research tax credit (+115 k€), the net income remained stable by -892 k€ against -879 k€ in the first half of 2017.

This result includes the non-recurrent savings plan costs, so this situation should improve on the second half of 2018.

At June 30, 2018, available cash was 1.157 k€ against 1.128 k€ at December 31, 2017.



Implementing the breakeven plan, cash-flow needs will be provided by the overall funding contract through OCA bonds signed on August 27, 2018 with the Luxembourg fund, European High Growth Opportunities Securitization Fund, amounting 2 M€ and possibly reaching 3,5 M€, at the company's discretion.

Strategy and perspectives

On this first half-year, the company benefited from the first results of the implementation of its new strategy, confirming the relevance of its repositioning on B to B markets. Addressing industrials and health information systems publishers and offering high level imaging features, directly integrable to their offer, Myrian® Imaging Layer offer allows to conclude partnerships providing recurring revenue.

Myrian® Studio serves as the ideal foundation for enrichment of the platform with solutions implementing the Artificial Intelligence and « deep learning » new technologies and becomes a major asset to differentiate very greatly.

With these offers, the exclusive technologies developed by company are fully valued, and their commercialization contribute to develop the value of the company.

About Intrasense

Founded in 2004, Intrasense develops and markets a unique medical device called Myrian®, a software platform that facilitates diagnosis, decision-making and therapeutic follow-up and makes them more secure. Thanks to Myrian®, more than 800 health institutions spread over 40 countries use a unique and integrated platform supporting all types of imaging modalities (MRI, scanner...). Enriched with expert clinical modules dedicated to specific pathologies, Myrian® also provides a universal image treatment solution that can be fully integrated in any health information system. Intrasense includes 40 employees among which 20 are dedicated to Research & Development. Intrasense has been labelled 'innovative company' by the BPI and invested more than 10 million euros in Research & Development since its creation.

More information on www.intrasense.fr.

Contacts

Intrasense
Nicolas Reymond
Chief Executive Officer
Montpellier - FRANCE
Tel: +334 67 130 130
investor@intrasense.fr

NewCap
Investor Relations and
Financial Communication
Valentine Brouchet - Pierre Laurent
Tel: +331 44 71 94 96
intrasense@newcap.eu

