PRESS RELEASE

MolMed Board of Directors approves the draft financial statements at 31 December 2014 and calls for the General Meeting on 3 June 2015

Financial highlights

Key income statement data

(amounts in € thousand)	FISCAL YEAR 2014 (A)	FISCAL YEAR 2013 (B)	CHANGE (A-B)	CHANGE %
OPERATING REVENUES	12,422	6,714	5,708	85.0
REVENUES FROM ACTIVITIES FOR THIRD PARTIES	*11,181*	*5,856*	*5,325*	*90.9*
OPERATING COSTS	25,050	24,638	412	1.7
OPERATING RESULT	(12,628)	(17,924)	5,296	29.5
NET FINANCIAL INCOME & CHARGES	(375)	(245)	(130)	(53.1)
RESULT FOR THE YEAR	(13,003)	(18,169)	5,166	28.4

Net financial position

(amounts in € thousand)	31 DECEMBER 2014 (A)	31 DECEMBER 2013 (B)	CHANGE (A-B)	CHANGE %
NET FINANCIAL POSITION	11,390	7,528	3,862	51.3

Milan, 24 April 2015 – The Board of Directors of MolMed S.p.A. (MLM.MI), chaired by Professor Claudio Bordignon, today reviewed and approved the draft financial statements at 31 December 2014.

The most relevant facts on product development and activity progress were:

- TK: In early March 2014, the Company submitted an application to the European Medicines Agency (EMA) for a Conditional Marketing Authorisation for TK (trade name Zalmoxis) in acute leukaemia and other haematological malignancies. The application was validated by the EMA in late March 2014 and the evaluation process formally began. If the Conditional Marketing Authorisation is obtained, the therapy can be introduced on the market even though it is still in the clinical trial phase;
- NGR-hTNF: In early May 2014, results from Phase III clinical trial in malignant pleural mesothelioma were obtained: despite not having achieved the primary end-point on overall survival (OS) in the entire population the trial showed a statistically significant increase (p=0.02, non stratified analysis; p=0.01, stratified analysis) of 40% in overall survival in patients with worse prognoses, who experienced progression during or immediately after first-line chemotherapy. These patients account for 50% of the population and were identified using a pre-specified analysis based on the treatment-

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free interval after the end of the first-line chemotherapy treatment;

- Third party activities: Revenues related to process development and production for new gene and cell therapy treatments reached € 11.2 million, with an increase of 90.9% compared to 2013.

The Board of Directors, in compliance with article 2364, part 2 of the Civil Code and of article 12, part 2 of the Articles of Association, decided to call the Shareholders' meeting within the 180 days longer term, allowed in cases of specific Company needs. In particular, the decision was taken also due to the extraordinary transaction on the share capital carried out in the first quarter of 2015.

Claudio Bordignon, Chairman and CEO of MolMed, commented: *"2014 provided important confirmation on the potential of our two experimental anticancer products: TK and NGR-hTNF.*

In particular for TK, after the expansion of Phase III clinical study in acute leukaemia, in the United States, the submission of the Conditional Marketing Authorisation an important milestone was reached which represents a turning point in the clinical development of our technology. The request has been enriched by new evidence of effectiveness namely the Phase II long-term follow-up and the initial data of the Phase III study in progress. Furthermore, always in immuno-gene therapy of cancer, we acquired a project that represents the new frontier in this therapeutic area in the month of April 2015, the CAR-CD44v6 that will benefit from the important knowledge developed by the Company on the TK technology.

Regarding NGR-hTNF, despite not having met the primary endpoint in mesothelioma, for the first time a highly significant clinical benefit was obtained in a relevant subpopulation, with the worst prognosis, represented by refractory patients or with rapid progression after first-line treatment. Furthermore, these data provide important confirmation of the effect of NGR-hTNF on the duration of survival, as observed in several randomized phase II clinical trials, specifically emphasizing the clinical benefit obtained with the combination of the experimental drug at low doses with standard chemotherapy.

On the front of gene and cell therapies, our growth continued, both in terms of turnover and requests for new collaboration, confirmed by the strategic agreement signed last month with GSK, further endorsing our know-how and technological leadership in the field".

Key achievements in 2014

Research & Development activities

During 2014, the Company's activities focused primarily on the clinical development of the two investigational anticancer products: TK for the treatment of high risk leukaemia and NGR-hTNF for the treatment of different types of solid tumours.

Regarding TK, major progress include:

- **Presentation of the dossier for the request for marketing authorisation through a special procedure** (*Conditional Marketing Authorisation*) to the European regulatory body on the basis of clinical phase II data. The application was validated by the European Medicine Agency (EMA) on March 26th, 2014 formally initiating the evaluation process. This special procedure request is possible in the case of TK due to the rarity of the clinical indication (TK has been granted Orphan Drug designation), a favorable risk-benefit balance and demonstration of safety and clinical efficacy. The clinical efficacy data, and in particular those of long-term survival of patients treated with TK, will be used during the analysis and discussion of the dossier submitted to EMA.

- **Presentation at ASCO 2014 of the data on the first 24 patients enrolled in the TK arm of the clinical trial phase III in acute leukaemia showing primary and secondary endpoints exceeding expectations**. At the 50th congress of the American Society for Clinical Oncology (ASCO), held in Chicago from 30 May to 3 June 2014, the intent-to-treat analysis of the first 24 patients enrolled in the TK arm indicates a 74% 1-year disease free survival (DFS - primary study endpoint): this result largely exceeds the target of 52% for the TK arm.

  Notably, 86% of patients treated with TK were alive at one year (overall survival, secondary study endpoint) and the corresponding figures for patients who achieved immune reconstitution is placed at 85% for disease free survival and 100% for overall survival. The direct impact of TK cells on transplant outcome was confirmed by a very low incidence of relapse (16% - with no relapse in patients receiving higher TK cell doses) and non-relapse mortality (10% - with no deaths observed in patients achieving immune reconstitution).

- **Presentation at the *Annual Meeting of the American Society of Hematology* (ASH) of new data of the immuno-reconstitution and the long-term clinical benefit induced by the experimental cell therapy TK:** an analysis performed on 14 patients with long survival treated with the cell therapy TK between 1995 and 2010 shows that in most cases (90%) TK cells persist, functionally active and sensitive to ganciclovir, up to 14 years after treatment, confirming the validity and safety of TK in offering a complete and long-term immune protection to patients with high-risk acute leukaemia, without losing the ability to control a possible onset of GvHD. A further analysis has elucidated the TK-driven mechanism by which the suicide gene system is capable of selectively eliminating the donor lymphocytes responsible for GvHD, while sparing the cells able to provide full immune reconstitution, thus providing the patient with prolonged survival free of immuno-suppression therapy and free of life-threatening GvHD complications.

Regarding NGR-hTNF, major progress include:

- **Presentation of the final results of the randomised Phase III study in patients with malignant pleural mesothelioma** (study NGR015). In early May 2014 results of the Phase III study were obtained: despite not having met its primary endpoint of improving overall survival (OS) in the entire population, the study showed a statistically significant (unstratified p=0.02; stratified p=0.01) 40% improvement of OS in patients with poorer prognosis who had progressed during or shortly after first-line chemotherapy. These patients represent 50% of the entire patient population and were identified by a pre-specified analysis based on prior treatment-free interval.

  The results, presented at the 50th congress of the American Society of Clinical Oncology (ASCO), show an increase of the impact of NGR-hTNF on survival in parallel with the duration of therapy, that was particularly marked in patients treated for at least three months, in which the median duration of survival was almost double that of the control arm: 16.5 vs. 9.8 months.

- **Two additional randomised Phase II studies presented at ASCO clearly established the effect of NGR-hTNF on survival.** In the four-arm randomized Phase II study in sarcoma patients, the low-dose weekly NGR-hTNF plus doxorubicin regimen induced a statistically significant doubled survival time, as compared with the other schedules given at high dose in combination with doxorubicin or as monotherapy at low or high dose. The 3- year survival rate with this schedule exceeded 40% and, notably, similar results were reported for both chemo-naïve and pre-treated patients, thus confirming the elevated NGR-hTNF efficacy in more aggressive, chemo-resistant disease.

In the randomised Phase II study in resistant/refractory ovarian cancer patients, NGR-hTNF in combination with an anthracycline improved overall survival in patients with normal or high baseline lymphocyte counts, as compared to patients receiving an anthracycline alone.

Development and GMP production for third parties

In the course of 2014, activities envisaged by the two major agreements signed in 2011 and 2013, with Telethon Foundation and GlaxoSmithKline (GSK) continued for the development and production of highly innovative experimental gene therapies for up to a total of seven rare diseases, all caused by the malfunctioning of a single gene, thus allowing for development of a potential cure by inserting the correct form of the gene in stem cells obtained from the bone marrow of the patient, using *ex vivo* genetic engineering techniques. Moreover, in November 2013, a further agreement was signed with GSK for the production of the experimental gene therapy for compassionate use in patients with Adenosine Deaminase Deficiency - Severe Combined Immune Deficiency (ADA-SCID). Furthermore on 19 March 2015 a new strategic agreement was signed with GSK under which MolMed will provide development services, manufacturing and technology transfer aimed at clinical application of gene therapies based on cell transduction with viral vectors.

During 2014 the following activities related to the development of experimental gene therapies continued:

- development activities for the production of lentiviral vectors to be used in gene therapy clinical trials for beta-thalassemia and mucopolysaccharidosis I (MPS I), and support on validation activities of the vectors in GMP. These activities were carried out under the agreement with Telethon Foundation;
- characterization of two cell lines for the production of retroviral vectors to be used for the production of the ADA-SCID gene therapy and development of analytical methods for the GMP production of carriers. The activities were carried out under the agreements with GlaxoSmithKline;
- development activities for the production of lentiviral vectors to be used in gene therapy clinical trials for metachromatic leukodystrophy (MLD) and Wiskott-Aldrich syndrome (WAS) and support on validation activities of the vectors in GMP;
- development of the GMP production process of the gene therapy for ADA-SCID, second agreement with GSK, and production of transduced cells for the compassionate treatment of patients, always for GSK;
- production of cells transduced with lentiviral vectors for the experimental treatment of patients with MLD and WAS, always under the already mentioned agreement with Telethon Foundation;
- production of cells for the experimental treatment of patients suffering from Duchenne muscular dystrophy;
- provision of service activities for Quality Control (sterility testing in accordance with Pharmacopoeia).

Outlook for 2015

Current business plans include:

- continuation of clinical and industrial development of the main trial products;
- continuation of activities and investments aimed at acquiring additional production capacity;

- selection of additional products as clinical candidates and subsequent development thereof;
- investment in preclinical research or in the acquisition of additional technologies and products through in-licensing;
- increasing investments, above current levels, in order to potentially set up a sales force and expand production capacity by rendering the production of the TK cell therapy fully automated.

Summary of financial results

MolMed's financials are peculiar to the business model of biotech companies developing new therapeutic products and having no products on the market. At this stage high costs must be sustained for the clinical and pharmaceutical development of investigational therapeutics, and return is expected in forthcoming years. In addition, given the Company's operating activities and the characteristics of trials conducted, research and development costs are fully recorded in the period they are incurred.

Operating revenues

Operating revenues in 2014, equal to € 12.4 million, show a marked increase (+85.0%) compared to year 2013 (€ 6.7 million), mainly due to the intensification of development and GMP production activities for third parties.

GMP production and development activities carried out on behalf of third parties generated revenues of € 11.2 million compared with € 5.9 million in previous year, with a 90.9% increase due to activities related to the afore-mentioned agreements signed with GlaxoSmithKline (GSK) and the Telethon Foundation, both in relation to GMP production and development activities for new gene therapy treatments for rare genetic diseases.

Other revenues, amounting to € 1.2 million, are mainly related to public funding and show a significant increase with respect to the previous year (+44.6%).

Operating costs

Operating costs for year 2014 totalled € 25.0 million and showed an increase of € 0.4 million respect to year 2013 (€ 24.6 million). The above-mentioned variation, which represents a 1.7% increase, is mainly due to the combined impact of the increase in raw materials and consumables purchases, costs for the use of third party assets and personnel costs and the decrease in current asset devaluation and amortization.

The 21.3% increase from € 2.4 million as at December 2013 to € 3.0 million as at December 2014, recorded for costs of raw materials and consumables, is mainly due to the increase in purchases of materials related to the industrial development process of NGR and TK, and to the previously mentioned intensification of GMP development and production activities, carried out on behalf of third-parties.

Service costs are in line with the figures recorded for the year 2013.

The cost for the use of third-party assets, which went from € 1.1 million in 2013 to € 1.2 million in 2014 (+13.6%), is mainly related to the lease agreement for the Company's new site in Bresso from May 2014. This item essentially includes the rental costs of premises housing MolMed's headquarters in Milan and its secondary offices (in Segrate until 30 April and then in Bresso).

Personnel expenses at 31 December 2014 were higher by € 0.3 million (3.7%) respect to previous year. This variation can be accounted for by the increase in the Company's headcount.

Other operating costs, which stood at € 0.1 million in year 2014, showed a significant decrease (24.4%) respect to year 2013 mainly due to the reduction in scholarships and representation expenses.

Amortisation at 31 December 2014 stood at € 0.4 million, with a fall of € 0.1 million (-25.1%) compared with previous year because the depreciation cycle of several assets came to an end.

Operating result

The operating loss for 2014 amounts to € 12.6 million, shows a 29.5% improvement with respect to year 2013, which recorded a loss of € 17.9 million. In particular, we point out that said positive impact derives mainly from the significant increase in revenues from third parties activities, which allowed higher fixed costs absorption, and from the higher containment of operating costs.

Net financial income and charges

The financial result is negative for an amount equal to € 0.4 million, with a negative variation of € 0.1 million compared to previous year 2013.

In particular, financial expenses, equal to € 0.4 million in year 2014, are higher respect to year 2013 and are mainly related to the cost of the non-recourse sale of tax credits completed during the second quarter of 2013 and the second quarter of 2014.

Result of the year

The result of year 2014 shows a loss of € 13.0 million, compared to a loss of € 18.2 million recorded for the year 2013.

Net financial position

The net financial position at 31 December 2014, positive for € 11.4 million, is entirely composed of cash and cash equivalents, in absence of financial indebtedness.

The official manager responsible for preparing the Company's financial reports, Andrea Quaglino, herewith attests, pursuant to Article 154-bis, paragraph 2 of the Italian Consolidated Law on Finance (Legislative Decree 58/1998), that the accounting disclosure contained in this press release matches documentary evidence, corporate books, and accounting records.

The report on Corporate Governance, the report on remuneration, the 2014 draft financial statements and the reports of the Board of Statutory Auditors and of the independent Auditing firm will be made available to the public at the Company's headquarters and at Borsa Italiana S.p.A., and in the section "Investors/Corporate Governance/Shareholders' Meetings" of MolMed's website (www.molmed.com), in accordance with legal provisions.

The following statements related to the 2014 draft financial statements are provided in attachment to this press release:

- *Balance sheet*
- *Income statement*
- *Statement of comprehensive income*
- *Cash flow statement*
- *Statement of changes in shareholders' equity*

In this press release, use is made of "alternative performance indicators" which are not provided for under European IFRS, and whose significance and content - in line with Recommendation CESR/05-178b published on 3 November 2005 - are illustrated below:

- *Operating Revenues: defined as the difference between sales revenues and other income and costs for materials, costs of services received, costs for use of third-party assets, personnel costs and amortisation, depreciation & write downs. It represents the profit before financial flows and taxes*
- *Net Financial Position: is the algebraic sum of cash, cash equivalents, financial receivables and other financial assets, and current and non-current financial debt*

The audit is still ongoing, and the report of the independent Auditing firm on the Financial Statements at 31 December 2014 will be issued at a later date respect to the publication date of this press release.

Corporate Governance and Remuneration Report

The Board of Directors approved the yearly report on corporate governance and ownership structure for 2014, pursuant to article 123-bis of Legislative Decree 58/98 as amended ("TUF") and carried out the periodical verification of the independence requirements. The Board of Directors also approved the Remuneration Report in compliance with article 123-ter of the TUF. Both the Corporate Governance and the Remuneration Report will be published, in compliance with applicable laws, at the company's registered office, on the Company's website (www.molmed.com), as well as on the authorised storage system "1Info" (www.1info.it).

The Board also verified the requirement of independence, pursuant to Article 148 of the TUF and to the Code of conduct, of – among others - Directors Mario Masciocchi and Raffaella Ruggiero.

Amendment of the Yearly Calendar: postponement of the Shareholders' Meeting date to 3 June 2015

On 30 May 2015 at the American Society of Clinical Oncology (ASCO) the results related to the Phase III trial in malignant pleural treated with NGR-hTNF will be presented. Due to the importance of the event and to the fact that the results of the above mentioned trial have been accepted for an oral presentation making Professor Bordignon's presence at the meeting particularly important - having also considered the opportunity of holding the Shareholders' Meeting after said event - the date of the Shareholders' Meeting has been postponed to 3 June 2015.

In consideration of the aforementioned, the yearly corporate financial calendar 2015 previously communicated to the market is amended as follows:

Board of Directors

11 May 2015	Approval of financial report at 31/03/2015
30 July 2015	Approval of half-year financial report at 30/06/2015
9 November 2015	Approval of financial report at 30/09/2015

Shareholders' Meeting

3 June 2015	Approval of financial statements at 31/12/2014

The Board of Directors granted the Chairman all the powers to call, in compliance with applicable laws and regulations, the ordinary Shareholders' General Meeting on **3 June 2015 at 3:00 PM** at NH Hotel Milano 2, via Fratelli Cervi, 20090 Segrate (Milan), Italy, in order to resolve upon the following agenda:

1. Approval of the financial statements for the fiscal year ended 31 December 2014;
2. Deliberation on Remuneration Report, pursuant to art. 123-*ter* of the Italian Legislative Decree 58/98 and subsequent changes;
3. Composition of the administrative body: deliberation on appointment of a Director or reduction of the number of members;
4. Deliberation on re-determination of compensation of the administrative body.

The complete Notice will be made available to the public, according to terms and conditions provided by laws and regulations in force, on 29 April 2015 on MolMed's website (www.molmed.com) and at *Borsa Italiana* via the 1Info-SDIR circuit. The Italian version of the Notice will be published in abridged on the Italian daily newspaper *Milano Finanza* on the same date. All the relevant documents regarding the General Shareholders Meeting will be published in compliance with applicable laws and regulations.

The official Chief Financial Reporting Manager of MolMed S.p.A. Andrea Quaglino, herewith attests, pursuant to Article 154-bis, paragraph 2 of the Italian Consolidated Law on Finance (Legislative Decree 58/1998) that the accounting disclosure contained in the press release matched documentary evidence, corporate books and accounting records.

This press release is written in compliance with public disclosure obligations established by CONSOB (Italian securities & exchange commission) resolution no. 11971 of 14 May 1999, as subsequently amended.

About MolMed

MolMed S.p.A. is a biotechnology company focused on research, development and clinical validation of novel anticancer therapies. MolMed's pipeline includes two antitumour therapeutics in clinical development: TK, a cell-based therapy enabling bone marrow transplants from partially compatible donors, in absence of post-transplant immune-suppression, in Phase III in high-risk acute leukaemia; NGR-hTNF, a novel vascular targeting agent, in Phase III in malignant pleural mesothelioma and in Phase II in six more indications: colorectal, lung (small-cell and non-small-cell), liver and ovarian cancer, and soft tissue sarcomas. MolMed also offers top-level expertise in cell and gene therapy to third parties to develop, conduct and validate projects from preclinical to Phase III trials, including scale-up and cGMP production of clinical-grade viral vectors, and manufacturing of patient-specific genetically engineered cells. MolMed is headquartered at the San Raffaele Biomedical Science Park in Milan, Italy. The Company's shares are listed on the main market (MTA) of the Milan Stock Exchange. (Ticker Reuters: MLMD.MI)

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DISCLAIMER

This press release may contain 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, including scientific, business, economic and financial factors, which could cause actual results to differ materially from those anticipated in the forward-looking statements. The company assumes no responsibility to update forward-looking statements or adapt them to future events or developments. This document does not constitute an offer or invitation to subscribe or purchase any securities of MolMed S.p.A.

Financial statements at 31 December 2014

Balance sheet

(amounts in Euro thousands)	December 31, 2014	December 31, 2013
ASSETS		
Tangible assets	5,996	1,724
Goodwill	77	77
Intangible assets	253	221
Financial assets	7	7
Tax receivables	2,557	4,000
Other assets	1,586	2,103
TOTAL NON-CURRENT ASSETS	**10,476**	**8,132**
Inventories	774	676
Trade receivables and other commercial assets	4,364	5,588
Tax receivables	845	837
Other receivables and sundry assets	1,734	1,731
Other financial assets	6	1
Cash and cash equivalents	11,384	8,562
TOTAL CURRENT ASSETS	**19,107**	**17,395**
TOTAL ASSETS	**29,583**	**25,527**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Capital	11,019	27,071
Share premium reserve	5,635	3,378
Other reserves	9,263	428
Retained earnings (accumulated losses)	(832)	(2,575)
Profit (loss) for the year	(13,003)	(18,169)
TOTAL SHAREHOLDERS' EQUITY	**12,082**	**10,133**
Liabilities for pensions and employee severance indemnity	208	184
Finance payables	-	1,032
Other liabilities	5,317	2,523
TOTAL NON-CURRENT LIABILITIES	**5,525**	**3,739**
Trade payables	9,852	9,480
Other liabilities	2,124	2,172
Finance lease payables	-	3
TOTAL CURRENT LIABILITIES	**11,976**	**11,655**
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	**29,583**	**25,527**

Financial statements at 31 December 2014

Income statement

(amounts in Euro thousands)	Year 2014	Year 2013
Revenues	11,181	5,856
Other revenue	1,241	858
Total operating revenues	**12,422**	**6,714**
Purchases of raw materials and consumables	2,966	2,446
Costs for services	11,165	11,065
Costs for use of third-party assets	1,236	1,088
Personnel costs	9,145	8,822
Other operating costs	127	168
Depreciation of receivables of current assets	-	500
Amortization and depreciation	411	549
Total operating costs	**25,050**	**24,638**
Operating result	**(12,628)**	**(17,924)**
Financial income	70	122
Financial charges	(445)	(367)
Net financial income (charges)	**(375)**	**(245)**
Pre-tax result	**(13,003)**	**(18,169)**
Income taxes	-	-
Profit (loss) for the year	**(13,003)**	**(18,169)**

Statement of comprehensive income

(amounts in Euro thousands)	Year 2014	Year 2013
Profit (loss) for the year	**(13,003)**	**(18,169)**
Other comprehensive income (not subsequently reclassified to the income statement)		
Profit (loss) actuarial	(16)	(3)
Other comprehensive income, net of taxes (not subsequently reclassified to the income statement)	**(16)**	**(3)**
Other comprehensive income (subsequently reclassified to the income statement)		
Profit (loss) actuarial	-	(15)
Other comprehensive income, net of taxes (subsequently reclassified to the income statement)	-	**(15)**
Total comprehensive income (loss) for the year	**(13,019)**	**(18,187)**

Financial statements at 31 December 2014

Cash flow statement

(amounts in Euro thousands)		December 31, 2014	December 31, 2013
Cash and cash equivalents		8,562	10,421
Opening cash and cash equivalents	**A**	**8,562**	**10,421**
Cash flow from operating activities:			
Profit (loss) for the year		(13,003)	(18,169)
Amortization/Depreciation of intangible/tangible assets		411	549
Allowance for doubtful accounts		8	(19)
Non-cash costs for stock options		161	160
Change in liabilities for pensions and employee severance indemnity		-	500
Decrease in other assets due to option rights		516	516
Reversal of financial income and charges		375	245
Cash flow from operating activities before changes in working capital		**(11,532)**	**(16,218)**
Changes in current assets and liabilities:			
(Increase) decrease in inventories		(98)	(87)
(Increase) decrease in trade and other receivables		1,213	1,134
Increase (decrease) in trade and other payables		372	(39)
Increase (decrease) in other liabilities		(28)	650
Total changes in current assets and liabilities		**1,459**	**1,658**
(Increase) decrease in non-current tax receivables		1,443	927
Increase (decrease) in other liabilities		2,794	1,529
Increase (decrease) in other financial assets		(5)	-
Increase (decrease) in other activities		-	(1,500)
Interest paid		(391)	(331)
Total cash flow generated (absorbed) by operating activities	**B**	**(6,232)**	**(13,935)**
Cash flow from investing activities:			
Net (investment) divestment in tangible assets		(4,627)	(966)
Net (investment) divestment in intangible assets		(107)	(38)
Net (investment) in other non current activities		1	-
Net (investment) in other financial assets		-	-
Net divestment in other financial assets		-	7,000
Interest received		15	292
Total cash flow generated (absorbed) by investing activities	**C**	**(4,718)**	**6,288**
Cash flow from financing activities:			
Increases in capital and share premium reserve		6,475	4,993
Shareholders' advance payment for share capital increase		8,638	-
Other Equity movemenets (share increase cost)		(306)	(121)
Financial Debts variation		(1,032)	1,032
Change in finance lease payables		(3)	(116)
Total cash flow generated (absorbed) by financing activities	**D**	**13,772**	**5,788**
Cash flow generated (absorbed) during the year	**E=B+C+D**	**2,822**	**(1,859)**
Closing cash and cash equivalents	**A+E**	**11,384**	**8,562**

Financial statements at 31 December 2014

Statement of changes in shareholders' equity

(amounts in Euro thousands)	Capital	Share premium reserve	Other reserves	Stock option plan reserve	Actuarial valuation reserve	Fair value valuation reserve	Retained earnings (accumulated losses)	Profit (loss) for the year	Total shareholders' equity
Balance at December 31, 2011 (published data)	**43,609**	**20,696**	-	**1,025**	-	**(336)**	**1,400**	**(21,569)**	**44,825**
Effects of IAS 19 emendment					(54)		46	8	
Balance at January 1, 2012	**43,609**	**20,696**	**-**	**1,025**	**(54)**	**(336)**	**1,446**	**(21,561)**	**44,825**
Allocation of prior year result	-	(20,696)	-	-	-	-	(874)	21,569	-
Personnel costs for stock options 2012	-	-	-	115	-	-	-	-	115
Decadence of stock options, Plan 2008	-	-	-	(59)	-	-	59	-	-
Profit (loss) for the year	-	-	-	-	(8)	351	8	(22,001)	(21,650)
Balance at December 31, 2012	**43,609**	**-**	**-**	**1,081**	**(62)**	**15**	**639**	**(21,993)**	**23,289**

(amounts in Euro thousands)	Capital	Share premium reserve	Other reserves	Stock option plan reserve	Actuarial valuation reserve	Fair value valuation reserve	Retained earnings (accumulated losses)	Profit (loss) for the year	Total shareholders' equity
Balance at December 31, 2012 (published data)	**43,609**	**-**	**-**	**1,081**	**-**	**15**	**585**	**(22,001)**	**23,289**
Effects of IAS 19 emendment					(62)		54	8	
Balance at January 1, 2013	**43,609**	**-**	**-**	**1,081**	**(62)**	**15**	**639**	**(21,993)**	**23,289**
Allocation of prior year result	-	-	-	-	-	-	(3,388)	3,388	-
Capital reduction ex art 2446 CC	(18,028)	-	-	-	-	-	(577)	18,605	-
Capital increase	1,490	3,499	3	-	-	-	-	-	4,993
Capital increase expences capitalized		(121)	-	-	-	-	-	-	(121)
Decadence of stock options, Plan 2008 B	-	-	-	(329)	-	-	329	-	-
Decadence of stock options	-	-	-	(422)	-	-	422	-	-
Personnel costs for stock options 2013	-	-	-	160	-	-	-	-	160
Profit (loss) for the year	-	-	-	-	(3)	(15)	-	(18,169)	(18,187)
Balance at December 31, 2013	**27,071**	**3,378**	**3**	**490**	**(65)**	**-**	**(2,575)**	**(18,169)**	**10,133**

(amounts in Euro thousands)	Capital	Share premium reserve	Other reserves	Stock option plan reserve	Actuarial valuation reserve	Fair value valuation reserve	Retained earnings (accumulated	Profit (loss) for the year	**Total shareholders'**
Balance at Jaunary 1st 2014	**27,071**	**3,378**	**3**	**490**	**(65)**	**0**	**(2,575)**	**(18,169)**	**10,133**
Allocation of prior year result				-	-	-	(839)	839	-
Capital reduction ex art 2446 CC	(16,586)	(3,378)	(3)	-	62	-	2,575	17,330	-
Capital increase	389	4,580	-	-	-	-	-	-	4,969
Capital increase dedicated to SG	145	1,361	-	-	-	-	-	-	1,506
Capital increase expences capitalized	-	(306)	-	-	-	-	-	-	(306)
Unsubscribed rights for share capital increase	-	-	45	-	-	-	-	-	45
Shareholders' advance payment for share capital increase	-	-	8,593	-	-	-	-	-	8,593
Personnel costs for stock options 2012	-	-	-	161	-	-	-	-	161
Other variations - stock options, Plan 2012	-	-	-	(7)	-	-	7	-	-
Profit (loss) for the period	-	-	-	-	(16)	-	-	(13,003)	(13,019)
Balance at December, 31 2014	**11,019**	**5,635**	**8,638**	**644**	**(19)**	**-**	**(832)**	**(13,003)**	**12,082**