



ERYTECH PHARMA launches a subscription of BSPCE warrants reserved for its main executives

Lyon (France), January 28th, 2014 – ERYTECH (Euronext Paris: FR0011471135 - ERYP), the French biopharmaceutical company that develops innovative ‘tumor starvation’ treatments for acute leukemia and other oncology indications with unmet medical need, launch a subscription of BSPCE reserved for its main executives.

As part of an incentive policy for its management to associate and retain its main managers and executives at the Company's strategy, ERYTECH PHARMA (the "Company") announces the issuance of 22,500 BSPCE warrants. Moreover, this transaction is going to reinforce the employee shareholding as a guarantee of stability.

This issuance follows the decision taken by the Board of Directors on January 22nd, 2014 using delegation granted to it by the twenty-fifth resolution of the General Meeting of April 2, 2013. Consequently, 22,500 BSPCE warrants were issued for managers employees and executives of the Company in accordance with article L.411-2 II of French financial code.

BSPCE Warrants Characteristic:

Number of BSPCE Warrants:

22,500 BSPCE were issued and totally attributed by the Company.

Subscribing period:

Dates for subscription are the following:

- Through the second quarter of 2015 for 33% of BSPCE warrants,
- Through the second quarter of 2016 for 33% of BSPCE warrants,
- Through the second quarter of 2017 for the balance of BSPCE warrants,

Provided the beneficiary's effective presence in the Company.

These subscribing period were provided without consideration for the possibility of an anticipated subscription in case of change of control of the article L.233-3 1° of the French commercial code (i) or in case of merger of the Company (ii).

Exercise Parity of BSPCE warrants:

BSPCE warrants are securities which give access, once exercised, to new Company's shares. The exercise of one BSPCE warrant gives access to ten Company's shares.

In consequence, 225.000 shares is the maximal number of shares which may give the exercise right of the totality of the BSPCE warrants, which accounts for 4,05% of current capital.

Exercise price of BSPCE warrants:

The subscription or purchase price for one new share or one share to be issued after the exercise of a BSPCE warrant is equal to the weighted average of the last three trading days preceding the decision of the Board of Directors of January 22nd, 2014, less a discount of 5% which accounts for 12.25 euros.

Conditions and periods to exercise:

BSPCE warrants may be exercised to a maximum of four times by year for a minimum of 50 BSPCE warrants.

By way of exception, the possibility of an early exercise was planned in case of change of control of the article L.233-3 1° of the French Commercial code (i) or in case of merger of the Company (ii) with no minimum threshold condition or frequency

Expiration of BSPCE warrants:

BSPCE warrants automatically expire in case of:

- Non-subscription within the time limit
- Non-exercise of BSPCE warrants before the January 22nd 2024 or within the time limit in case of change of control or merger of the Company.

Quotation:

BSPCE warrants are not be subject to an application for admission to trading on a regulated market. The new shares resulting from the exercise of BSPCE will be subject to periodic requests for admission to trading on the regulated market of NYSE Euronext.

Gross proceeds in case of exercise of the totality of BSPCE warrants:

The potential amount of the capital increase, including issue premium, made after the exercise of all BSPCE warrants would amount to 2,756,250 euros, proceeds of the issue of BSPCE warrants included.

Dilution:

The impact of this issue of BSPCE warrants on the situation of the shareholder holding 1% of the share capital of the Company would be as follows:

Shareholder Participation	Non-diluted base	Diluted base
Before issuance of 225.000 new shares from the exercise of all BSPCE warrants	1%	0,93%

After the issuance of 225.000 new shares from the exercise of all BSPCE warrants	0,96%	0,89%
In case of existing shares's acquisition (and no issuance of new shares non)	1%	0,93%
In case of use of treasury shares by the Company on January 22 nd 2014 (28,510 shares)	0,97%	0,90%

Other information:

BSPCE warrants which are subject to this global investment will be available in France to investors as individual and the transaction will be submit to French law.

Subscription order will be stocked at ERYTECH PHARMA.

BSPCE warrants are created in registered form and are non-transferable by their holders. Exceptionally, in case of death of an holder, the heirs can exercise such BSPCE warrants within six months from the date of death.

In accordance with the article 211-3 of the AMF general regulation, this issue of BSPCE warrants do not result in the establishment of a prospectus submitted to the AMF.

In accordance with articles L.225-129-5, R.225-116 and R.225-117 of the French Commercial Code, the Board of Directors established a supplementary report describing definitive conditions of the transaction (exercise period, BSPCE rights) and the impact of the issuance on the situation of the holders of shares or securities giving access to the capital in relation to shareholders' equity and the market value of the share. This report will be available to shareholders at the head office and will be brought to the attention of the shareholders at the next general meeting.

Beyond these periodicals publications, investors should consult the website of the Company (www.erytech.com) whose information is regularly updated. All corporate and financial information available on the Company is updated in page "Investors" on the Company's website.

About ERYTECH: www.erytech.com

Created in Lyon in 2004, ERYTECH is a French biopharmaceuticals company that opens new prospects for cancer patients, particularly those with acute leukaemia. By encapsulating the asparaginase enzyme in red blood cells, ERYTECH has developed GRASPA®, an original and effective treatment that targets cancer cells through "starvation" while significantly reducing the side effects for patients. GRASPA® is currently completing Phase III clinical development in Acute Lymphoblastic Leukemia (ALL) and is in Phase IIb clinical trial in Acute Myeloid Leukemia (AML). ERYTECH has concluded distribution partnership agreements for Europe with Orphan Europe (Recordati group), and with TEVA for Israël. In the United States, ERYTECH is launching a Phase Ib clinical trial in ALL, after having received approval from the US FDA. The company has its own GMP approved and operational manufacturing site.

ERYTECH is listed on NYSE Euronext regulated market in Paris. (Code ISIN : FR0011471135, mnémo : ERYP) and is part of CAC Healthcare, CAC Pharm. & Bio et Next Biotech indexes.

CONTACTS

ERYTECH

Gil Beyen
Chairman and CEO
Pierre-Olivier Goineau
Vice-President and COO
Tél : 04 78 74 44 38
investors@erytech.com

NewCap.

Investor and press relations
Julien Perez / Emmanuel Huynh
Tél : 01 44 71 98 52
erytech@newcap.fr



