

# TIGENIX CONSOLIDATED FINANCIAL STATEMENTS 2013

## CONSOLIDATED INCOME STATEMENT & STATEMENT OF COMPREHENSIVE INCOME

	Thousands of Euro (€)	Notes	Years ended December 31		
			2013	2012*	2011*
<b>CONSOLIDATED INCOME STATEMENT</b>					
<b>CONTINUING OPERATIONS</b>					
<b>Sales</b>		1	4.301	4.084	1.146
<i>Gross sales</i>			4.301	4.084	1.804
<i>Deferred sales and discounts</i>					-657
Cost of sales		2	-1.136	-905	-455
<b>Gross profit</b>			<b>3.165</b>	<b>3.179</b>	<b>691</b>
Research and development expenses		2	-10.905	-13.264	-10.200
Sales and marketing expenses		2	-3.416	-2.863	-2.639
General and administrative expenses		2	-5.796	-5.924	-6.544
Other operating expenses		2	0	0	-2.974
<b>Total operating charges</b>			<b>-21.252</b>	<b>-22.956</b>	<b>-22.813</b>
Other operating income		3	939	1.389	393
<b>Operating Result</b>			<b>-16.013</b>	<b>-17.482</b>	<b>-21.274</b>
Interest income		4	11	35	708
Interest expenses		4	-45	-60	-408
Foreign exchange differences		4	-354	-142	434
<b>Profit/(Loss) before taxes</b>			<b>-16.401</b>	<b>-17.649</b>	<b>-20.540</b>
Income taxes		5	59	-1	0
<b>Profit/(Loss) for the period from continuing operations</b>			<b>-16.342</b>	<b>-17.650</b>	<b>-20.540</b>
<b>DISCONTINUED OPERATIONS</b>					
Profit/(Loss) for the period from discontinued operations		6	-2.048	-2.743	-16.765
<b>Profit/(Loss) for the period</b>			<b>-18.390</b>	<b>-20.393</b>	<b>-37.305</b>
<i>Attributable to equity holders of TiGenix NV</i>			-18.390	-20.393	-37.305
<b>Basic (diluted) loss per share (EURO)</b>		7	<b>-0,16</b>	<b>-0,22</b>	<b>-0,54</b>
<b>Basic (diluted) loss per share from continuing operations (EURO)</b>			<b>-0,14</b>	<b>-0,19</b>	<b>-0,29</b>

	Thousands of Euro (€)	Notes	Years ended December 31		
			2013	2012*	2011*
<b>STATEMENT OF COMPREHENSIVE INCOME</b>					
<b>Net Profit/(Loss)</b>			<b>-18,390</b>	<b>-20,393</b>	<b>-37,305</b>
Currency translation differences			366	41	-238
<b>Other comprehensive income</b>			<b>366</b>	<b>41</b>	<b>-238</b>
<b>Total comprehensive income</b>			<b>-18,024</b>	<b>-20,352</b>	<b>-37,543</b>
<i>Attributable to equity holders of TiGenix NV</i>			-18,024	-20,352	-37,543

\*The 2011 and 2012 consolidated income statements and statements of comprehensive income have been adjusted to present TiGenix BV as discontinued operations (see note 6).

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Thousands of Euro (€)	Notes	Years ended December 31		
			2013	2012	2011
<b>ASSETS</b>					
Intangible assets		9	36,407	39,205	42,026
Property, plant and equipment		10	879	8,334	8,657
Available-for-sale investments		11	161	278	278
Other non current assets		12	1,415	498	485
<b>Non-current assets</b>			<b>38,863</b>	<b>48,315</b>	<b>51,446</b>
Inventories		13	77	105	301
Trade and other receivables		14	1,583	3,661	1,826
Other current financial assets		15	659	628	342
Other current assets		16	161	176	482
Cash and cash equivalents		17	15,565	11,072	19,771
<b>Current assets</b>			<b>18,045</b>	<b>15,642</b>	<b>22,723</b>
<b>Assets held for sale</b>		<b>8</b>	<b>6,135</b>	<b>0</b>	<b>1,149</b>
<b>TOTAL ASSETS</b>			<b>63,043</b>	<b>63,956</b>	<b>75,318</b>

	Thousands of Euro (€)	Notes	Years ended December 31		
			2013	2012	2011
<b>EQUITY AND LIABILITIES</b>					
Share capital		18	16.048	10.030	89.093
Share premium			100.125	88.852	81.657
Shares to be issued			0	0	2.296
Retained earnings			-74.049	-55.700	-115.759
Other reserves			6.098	5.386	4.731
<b>Equity attributable to equity holders</b>			<b>48.222</b>	<b>48.567</b>	<b>62.019</b>
<b>Total equity</b>			<b>48.222</b>	<b>48.567</b>	<b>62.019</b>
Subordinated loan		19	0	0	0
Financial loan		19	8.263	6.184	6.298
Deferred tax liability		20	29	27	27
Other non-current liabilities		21	86	95	113
<b>Non-current liabilities</b>			<b>8.378</b>	<b>6.307</b>	<b>6.438</b>
Current portion of subordinated loan		19	0	0	130
Current portion of financial loan		19	343	388	109
Other financial liabilities		19	874	1.527	0
Trade and other payables		22	3.007	4.014	4.196
Other current liabilities		23	1.653	3.154	2.271
<b>Current liabilities</b>			<b>5.878</b>	<b>9.082</b>	<b>6.706</b>
<b>Liabilities related to non-current assets held for sale</b>		<b>8</b>	<b>566</b>	<b>0</b>	<b>157</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>63.043</b>	<b>63.956</b>	<b>75.318</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

	Thousands of Euro (€) Notes	Years ended December 31		
		2013	2012*	2011*
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Operating Result</b>		<b>-16.013</b>	<b>-17.482</b>	<b>-21.274</b>
Adjustments for:				
Depreciation, amortisation and impairment results		3.258	3.687	2.789
Share-based compensation		348	612	1.138
Grants income		-798	-887	0
Other		110	23	-50
		<u>-13.096</u>	<u>-14.047</u>	<u>-17.396</u>
Movements in working capital:				
(Increase)/ decrease in inventories		-6	230	-22
(Increase)/ decrease in trade and other receivables		1.349	-1.722	134
(Increase)/ decrease in other financial assets		-31	-286	-140
Increase/(decrease) in other current assets		34	352	-27
Increase/(decrease) in trade and other payables		-1.564	-607	384
Increase/(decrease) in other current liabilities		-1.718	-709	169
		<u>-15.032</u>	<u>-16.789</u>	<u>-16.898</u>
<b>Cash generated from operations</b>		<b>-15.032</b>	<b>-16.789</b>	<b>-16.898</b>
Income taxes paid		20	0	0
Interest paid		-47	-48	-382
Cash flow from discontinued operations		584	-838	-1.312
<b>Net cash provided by/(used in) operating activities</b>		<b>-14.474</b>	<b>-17.674</b>	<b>-18.592</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest received		4	9	103
Acquisition of property, plant and equipment		-35	-24	-257
Acquisition of intangible assets		-323	-267	-701
Proceeds from disposal of property, plant and equipment		12	124	0
(Increase)/Decrease of other non-current assets		-917	-13	344
Deferred payment for the acquisition of financial assets		0	0	-125
Acquisition of subsidiaries, net of cash acquired		0	0	18.421
Cash flow from discontinued operations		-61	-550	-2.676
<b>Net cash provided by/(used in) investing activities</b>		<b>-1.321</b>	<b>-722</b>	<b>15.109</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from issue of equity instruments of the Company (net of paid issue costs)	18	17.694	6.289	14.039
Reimbursements of subordinated loan		0	-130	-130
Proceeds from financial loans		2.380	1.527	5.150
Reimbursements of financial loans		-114	-114	-1.378
Proceeds from government grants		324	2.123	28
Reimbursement of lease debts		0	0	-12
Cash flow from discontinued operations	6	0	0	0
<b>Net cash provided by/(used in) financing activities</b>		<b>20.285</b>	<b>9.695</b>	<b>17.697</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>4.489</b>	<b>-8.701</b>	<b>14.214</b>
Cash and cash equivalents at beginning of year		11.072	19.771	5.555
Effect of currency translation on cash and cash equivalents		4	1	2
<b>Cash and cash equivalents at end of period</b>		<b>15.565</b>	<b>11.072</b>	<b>19.771</b>

\*The 2011 and 2012 consolidated statements of cash flows have been adjusted to present TiGenix BV as discontinued operations (see note 6).

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Thousands of Euro (€)	Attributable to equity holders of the Company							Total Equity
	Numbers of shares	Share capital	Share premium	Shares to be issued	Retained earnings	Other reserves		
						Equity-settled employee benefits reserve	Translation reserves	
Balance at Dec. 31, 2010	31.121.154	30.423	68.131	2.296	-78.453	4.185	-355	26.227
Issuance of shares	60.001.513	58.670	14.679					73.349
Shares to be issued			-1.154					-1.154
Share-based compensation						1.138		1.138
Total comprehensive income					-37.305		-238	-37.543
Balance at Dec. 31, 2011	91.122.667	89.093	81.656	2.296	-115.758	5.323	-593	62.018
Capital decrease		-80.452			80.452			0
Issuance of shares	536.534	526	1.771	-2.296				0
Issuance of shares	8.629.385	863	5.868					6.731
Transaction costs			-442					-442
Share-based compensation						612		612
Total comprehensive income					-20.393		41	-20.352
Balance at Dec. 31, 2012	100.288.586	10.030	88.853	0	-55.700	5.936	-551	48.568
Issuance of shares	26.000.000	2.600	3.900					6.500
Issuance of shares	34.188.034	3.419	8.581					12.000
Transaction costs			-1.209					-1.209
Share-based compensation					41	348		389
Total comprehensive income					-18.390		366	-18.024
Other movements								0
Balance at Dec. 31, 2013	160.476.620	16.048	100.125	0	-74.050	6.283	-186	48.222