

## OncoMethylome Sciences Reports 2007 Half Year Results and Confirms Successful Product Development

Liege (Belgium) – September 20, 2007, 8:00am CET – OncoMethylome Sciences published its financial results today for the first half of 2007, ending on June 30, 2007.

### 2007 year to date operational highlights:

- OncoMethylome successfully developed three additional diagnostic test prototypes for cancer screening applications. The novel tests target cancers for which currently available screening options are not adequate, namely: colorectal, bladder, and prostate cancer.
  - o In the area of colorectal cancer, OncoMethylome showed that its proprietary methylation markers successfully detected early-stage colorectal cancer in stool samples. This non-invasive test detected 86% of early-stage cancers with 96% specificity.
  - o In the area of bladder cancer, the urine test that OncoMethylome is developing performed significantly better than urine cytology in clinical trials. The novel urine test detected early-stage bladder cancer with 88% sensitivity and 93% specificity.
  - o In the area of prostate cancer, OncoMethylome published data showing that its urine test provides additional valuable information to men with inconclusive PSA results (prostate specific antigen levels of 2.4 – 4ng/mL). In this group of men, approximately 20% have cancer but are generally not followed up in the current medical practice. OncoMethylome's test correctly identified 58% of prostate cancers in this challenging group of patients, with 88% specificity.
- OncoMethylome further validated its marker identification platform. The results of the recently published colorectal cancer and bladder cancer trials were based on markers identified by OncoMethylome.
- OncoMethylome's tissue-based test for early detection of prostate cancer moved closer to distribution on the US market when OncoMethylome's commercial partner Veridex (NYSE: JNJ) sub-licensed it to LabCorp of America (NYSE:LH), one of the largest urology laboratories in the USA
- OncoMethylome secured DNA isolation technology from Exact Sciences (Nasdaq: EXAS); which, when combined with OncoMethylome's cancer detection technology, enables OncoMethylome to launch stool-based colorectal cancer test services in Europe. The agreement also provides a framework for offering stool-based methylation test services in the US.
- The Company's Amsterdam and Liege laboratories were expanded and the Leuven laboratory moved into a new facility, bringing all three of OncoMethylome laboratories to full functionality
- Numerous new patents on methylation markers and on detection techniques were filed

## **H1 2007 financial highlights (versus H1 2006)**

Key Figures (EUR thousands, except number of shares and per share data):

	<b>June 30, 2007</b>	<b>June 30, 2006</b>
Revenues	1,123	967
Operating profit (EBIT)	-5,607	-3,407
Net loss	-5,096	-3,338
Earnings per share, basic (€)	-0.48	-0.32
Number of outstanding shares	10,633,514	10,450,954
Cash and cash equivalents	27,188	37,236

### Revenues

Revenues increased to EUR 1,123,000 from EUR 967,000 for the same period in 2006, mainly due to receipt of new grants.

### Costs and Profitability

Total research and development expenses for the first half of 2007 were EUR 5.2 million compared with EUR 3.4 million for the first half of 2006. This increase of 54% was mainly driven by extra R&D personnel hired in H2 2006, and by an expansion of clinical trials. This growth rate was not maintained in H1 2007, as R&D expenses for the first half of 2007 (EUR 5.2 million) are comparable to those of the second half of 2006 which amounted to EUR 5.3 million.

Selling, general and administrative expenses increased by 40% to EUR 1.4 million from H1 2006, mainly due to the expansion of the administrative and compliance functions required by the listing of OncoMethylome's shares on Eurolist by Euronext.

The total operating costs increased by 51% in H1 2007 compared to H1 2006; however, compared to H2 2006, the increase in total operating costs was only 7%. Excluding non-cash expenses related to the recognition of stock option costs, total operating expenses decreased by 1% in H1 2007 compared to H2 2006.

The financial results of H1 2007 were fully in line with management's expectations.

### Cash Position

OncoMethylome's cash and cash equivalents amounted to EUR 27.2 million at June 30, 2007. In the first half of 2007, OncoMethylome raised a total of EUR 0.9 million through the issuance of new shares related to the exercise of employee stock options. OncoMethylome's net cash burn for the first six months of 2007 was EUR 5.6 million, consisting mainly of R&D activities and the reduction of the trade payable balances which were unusually high at December 31, 2006 due to the expansion that was performed in H2 2006.

## **Outlook for H2 2007**

For the full year 2007, OncoMethylome provides revenue guidance of EUR 2 million to EUR 3 million. Due to exposure to lump-sum milestone payments resulting from its commercial partnerships, the company's revenues may be subject to variations from period to period. OncoMethylome and its subsidiaries will continue to apply for additional R&D grants for specific R&D programs. The large expansion of facilities and personnel, which was completed in H2 2006, slowed down greatly in H1 2007; therefore, operating costs should remain at this lower growth rate in the near-future periods.

All commercialization and product development programs, as previously communicated for 2007 remain on track, including additional commercial deals in the area of colorectal cancer and personalized treatment, plus additional contracts for near-term product launches via US-based service laboratories.

"To date, in 2007, we significantly advanced three products in OncoMethylome's development pipeline. I am especially satisfied with the performance that the colon, bladder, and prostate tests showed in clinical trials. All three products demonstrated that they are capable of detecting early-stage cancer in non-invasive samples such as urine and stool. These attributes make the tests potentially very useful for screening applications. Detecting cancer early, when it does not show symptoms, is the single largest factor in successful cancer treatment," commented Herman Spolders, CEO of OncoMethylome Sciences. "We will now focus on converting these great results into additional commercial deals and will seek ways to introduce products on the market as quickly as possible."

## **Statutory auditor's limited review report**

"We have performed a limited review of the consolidated balance sheet as of June 30 2007, the consolidated income statement and the cash flow statement (jointly the "interim financial information") of OncoMethylome Sciences SA for the six month period ended June 30, 2007. This interim financial information has been prepared under the responsibility of the Board of Directors.

Our examination has been conducted in accordance with the recommendation of the Institute of Company Auditors (Instituut der Bedrijfsrevisoren/Institut des Réviseurs d'Entreprises) with regard to limited review procedures. Therefore, our review consisted mainly of the examination, comparison and discussion of the financial information. As a consequence, our review is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards.

Based on our limited review, no elements or facts have come to our attention that cause us to believe that the interim financial information for the six month period ended June 30, 2007 is not prepared in accordance with legal and regulatory requirements and the recognition and measurement criteria of IFRS as adopted by the European Union.

September 17, 2007

The Statutory Auditor  
BDO ATRIO BEDRIJFSREVISOREN BCV  
Represented by Luc Annick"

### **Conference call and webcast presentation: today at 9.30 CET**

OncoMethylome Sciences will host its half-year update conference call today at 9.30 CET, which will also be simultaneously broadcast via the internet. The event is open to the public and is accessible via internet broadcast at [www.oncomethylome.com](http://www.oncomethylome.com) and via telephone at +32 2 290 1401. In order to ask questions during the Q&A session, please join the event via telephone. A recording of the event will also be made available at [www.oncomethylome.com](http://www.oncomethylome.com) after the call.

### **Complete financial statements:**

To download the complete unaudited financial statements of H1 2007, click here: [ONCO H1 2007 Financial Statement PDF](#)

To download this press release as PDF, click here: [Press Release PDF](#)

### **About OncoMethylome Sciences**

OncoMethylome Sciences (Euronext Brussels: ONCOB; Euronext Amsterdam: ONCOA) is a molecular diagnostics company developing gene methylation tests to assist physicians in effectively detecting and treating cancer. Specifically, the company's tests are designed to help the physician (i) accurately detect cancer in early stages of cancer development, (ii) predict a patient's response to drug therapy, and (iii) predict the likelihood of cancer recurrence.

OncoMethylome boasts a broad product development pipeline consisting of ten products and a solid partnering record. The company collaborates with leading international molecular oncology research centers, such as The Johns Hopkins University, and has a number of commercial and collaborative partnerships with Veridex LLC, a Johnson & Johnson company, Schering-Plough Corp., Millipore Corporation's BioScience Division, and EXACT Sciences Corp. OncoMethylome's products are based on methylation technology invented by Johns Hopkins University (USA).

Established in January 2003, OncoMethylome has offices in Liege and Leuven (Belgium), in Durham, NC (USA), and in Amsterdam (the Netherlands).

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