

PRESS RELEASE

EOS imaging announces First Half 2018 Sales of €17.5 Million supported by strong growth in Asia-Pacific and North America

Paris, July 17, 2018, 18:00 CET – EOS imaging (Euronext, FR0011191766 - EOSI - Eligible PEA - SME), the pioneer of orthopedic medical imaging, 2D/3D, today announced its non-audited consolidated sales revenue for the six months ended June 30, 2018.

- +11% sales growth over first half 2017 excluding forex impact¹, driven by 36% growth in Asia-Pacific and 33% in North America (excluding forex impact), compensating partially postponed sales in EMEA
- Notable increase of +4% in average selling price (ASP) despite significant forex impact, boosted by +22% rise in ASP in dollar over North America

Marie Meynadier, Chief Executive Officer of EOS imaging, commented: *"We experienced strong commercial dynamics in all regions, which are not fully represented by our second quarter 2018 sales revenues due to postponing to the second half of the year a number of equipment sales in EMEA, and to a lesser extent in North America. APAC delivered very strong growth. The positive market environment for EOS® technology is also reflected in the steady growth of the average selling price, an important area of focus for the Company. Despite a significant forex impact over the semester, ASP has improved in all regions, particularly in North America. The market demand for EOS® solutions continue to grow rapidly. We look forward to a very strong second half year and are confident regarding EOS imaging's performance for the full year 2018."*

▪ **Sales for First Half 2018**

Revenues / non-audited / € millions As of June 30 th	H1 2018	H1 2017	% change	% change excl. forex impact
Sales of Equipments	13.61	13.15	4%	8%
Sales of maintenance contracts	3.46	2.83	22%	28%
Sales of consumables and services	0.48	0.49	-3%	-3%
Total revenues	17.54	16.46	7%	11%

In the first half of 2018, EOS imaging generated revenue of €17.5 million, up +7% compared to the first half of 2017, including forex impact, i.e. €18.3 million, up +11% compared to H1 2017 excluding forex impact.

The Group sold 34 EOS® systems during the first half of the year, in line with H1 2017, with average selling price showing a +4% increase including forex impact (+8% excluded). Revenues from equipment sales was €13.6 million, up +4% compared to 2017 (+8% excluded forex impact).

Recurring revenues grew +19% to €3.9 million, including €3.5 million in maintenance revenue and €0.5 million in consumables and services revenues. The +22% rise in maintenance revenue reflects the continued increase in the installed base of EOS® systems under contract.

¹ Forex impact: impact of the variation of the euro / foreign currencies exchange rate, mostly due to variation in euro / US dollar exchange rate. Variations excluded forex impact are calculated based on the average of exchange rates over H1 2017.

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First Half 2018 Sales by geography

<i>Revenues / non-audited / € millions As of June 30th</i>	H1 2018	H1 2017	% change (excl. forex impact)
EMEA	6.28	7.39	-16%
North America	6.83	5.74	19% (33%)
Asia-Pacific	4.44	3.34	36%
Total revenues	17.54	16.46	7% (11%)

First half 2018 revenue growth has been driven by strong sales in Asia-Pacific and North America but was partially offset by postponed sales in Europe-Middle-East-Africa (EMEA).

Revenue decreased -16% in EMEA as a result of delays in the three largest European markets of the Company (France, United Kingdom and Germany), where several sales decisions were postponed to the second half of the year.

In North America, revenues grew by 19% (33% excluding forex impact). In April, EOS imaging launched its dedicated private practice program, EOSone, which is expected to achieve its full impact over the coming months.

Revenues grew by 36% in Asia-Pacific, reflecting rapid adoption of the EOS® system in the region, particularly in Korea and Australia. No sales were recorded in China in the second half of 2018.

Sales for Second Quarter 2018

<i>Revenues / non-audited / € millions</i>	2018		2017	
	Q1	Q2	Q1	Q2
Equipment sales	7.56	6.05	5.47	7.67
<i>Var. Q2 2017 / excl. forex impact</i>		-21%/-14%		
<i>As a % of total revenues</i>	79%	76%	77%	82%
Sales of maintenance contracts	1.72	1.74	1.40	1.43
<i>Var. Q2 2017 / excl. forex impact</i>		+21%/+32%		
<i>As a % of total revenues</i>	18%	22%	19%	15%
Sales of consumables and services	0.26	0.21	0.26	0.23
<i>Var. Q2 2017 / excl. forex impact</i>		-7%/-6%		
<i>As a % of total revenues</i>	3%	3%	4%	3%
Total revenues	9.54	8.00	7.13	9.34
<i>Var. Q2 2017 / excl. forex impact</i>		-14%/-6%		

In the second quarter of 2018, EOS imaging achieved revenues of €8.0 million, compared to €9.3 million in second quarter of 2017 (-6% at constant forex), mainly due to sales postponements in EMEA.

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The Company sold 15 EOS® systems over the quarter at an average selling price of €404 thousand, up +5% from the second quarter of 2017. Excluding forex impact, the average selling price for the North America region in the second quarter was up 33% from that of the same period last year.

▪ Update on Cash Position

In the first half of the year, EOS imaging has refinanced its debt with IPF and successfully raised €29.5 million in convertible notes to fully reimburse that debt and suppress all associated pledges.

This has allowed the Company to enter into a first agreement to factor part of its receivables, that will be broadened in the second half year. As of June 30th, 2018, EOS imaging had €8.9 million in cash covering its financing needs for the next 12 months.

▪ Signature of a binding agreement with Fosun Pharmaceuticals AG related to an equity investment

EOS imaging also announces today the signature of a binding agreement with Fosun Pharmaceutical AG, an indirect subsidiary of Shanghai Fosun Pharmaceutical (Group) Co., Ltd., related to an equity investment to be made by Fosun Pharmaceutical AG through an issuance of EOS imaging news shares. For more information, please refer to the dedicated press release published today on EOS imaging's website: www.eos-imaging.com.

Next financial release: Announcement of 2018 Half-Year results on September 13th, 2018

ABOUT EOS IMAGING

EOS imaging is listed on Compartment C of Euronext Paris
ISIN: FR0011191766 - Ticker: EOSI



EOS imaging designs, develops and markets EOS®, a major innovative medical imaging solution dedicated to osteoarticular pathologies and orthopedics combining equipment and services and targeting a \$2B per year market opportunity. EOS imaging is currently present in 31 countries, including the United States under FDA agreement, Japan, China and the European Union under CE labelling, through the over 250 installed EOS® platforms representing around one million patient exams every year. Revenues were €37.1M in 2017, e.g. a +32% CAGR over 2012-2017.

For more information, please visit www.eos-imaging.com.

EOS imaging has been selected to integrate the EnterNext © PEA - PME 150 index, composed of 150 French, listed companies on the Euronext markets in Paris.

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