PRESS RELEASE

ERYTECH Reports Business and Financial Update for the First Half of 2016

Conference call and webcast scheduled for
Wednesday, September 7th at 3:00 pm CET/9:00 am EDT

- **Ongoing review by European Medicines Agency (EMA) of Marketing Authorization Application (MAA) for GRASPA for the treatment of acute lymphoblastic leukemia (ALL)**
- **Completed patient enrollment in Phase 2b study of eryaspase (GRASPA®) for the treatment of acute myeloid leukemia (AML)**
- **Enrollment of patients in Phase 2 study of eryaspase (GRASPA®) for the treatment of pancreatic cancer near completion**
- **Appointed Allene M. Diaz to the Board of Directors in September 2016**
- **Core immunotherapy patent granted in the United States**
- **Solid cash position of €36.5 million on June 30, 2016**

Lyon (France), September 6, 2016 – ERYTECH Pharma (Euronext Paris: ERYP), a French biopharmaceutical company developing 'tumor starvation' treatments for acute leukemia and other oncology indications with unmet medical needs, today provided a business update and reported its financial results for the six month period ended June 30, 2016.

First Half and Recent Business Highlights

- The Company's MAA for GRASPA for the treatment of ALL, submitted in September 2015, is under ongoing review by the EMA's Committee for Medicinal Products for Human Use (CHMP). In July 2016, the Company submitted a response to the Day 120 List of Questions received from the CHMP and the company expects to receive the official D180 List of Outstanding Issues before the end of the month. Based on the preliminary feedback received, the company believes significant progress was made towards addressing the CHMP questions. Addressing the remaining issues may, however, require more time than originally expected. The Company expects to be in position to receive an opinion from the CHMP regarding the approvability of GRASPA during 2017.

- The Phase 2b trial of eryaspase (GRASPA®) for the treatment of AML recently completed enrollment of a total of 123 patients and is on track for reporting of primary data in the second half of 2017. The trial is being conducted at more than 20 sites in Europe.

- With over 130 patients enrolled in the Company's Phase 2 trial of eryaspase (GRASPA®) for the treatment of pancreatic cancer, the study is near complete patient enrollment and is on-track for reporting of primary data in early 2017.

- The patent titled "Composition and Therapeutic Anti-tumor Vaccine", covering the use of ERYTECH's proprietary ERYCAPS platform for the development of immunotherapy products, was issued by the U.S. Patent and Trademark Office (USPTO), and the patent titled "Medicament for the Treatment of Cancer of the Pancreas" covering the use of eryaspase (GRASPA®) for the treatment of pancreatic cancer was granted in Japan and South Korea.

- The Company opened a U.S. office located in Cambridge, MA and completed recruitment of its U.S.-based clinical development team.

- Allene M. Diaz was appointed as a nonvoting member (*censeur*) to ERYTECH's Board of Directors, with the intention to appoint her as a Board member in January 2017, in anticipation of the next shareholders general meeting. Ms. Diaz has significant experience in the biopharmaceutical industry with broad cross-functional expertise in sales, medical affairs, in-line marketing, new product planning, portfolio planning, strategic planning, and market access. She currently serves as a Senior Vice President, Global Commercial Development at TESARO (Waltham, U.S.). Prior to joining TESARO, Ms. Diaz served in executive and line roles at other leading biopharmaceutical companies, including Merck Serono, Biogen Idec and Pfizer.

Financial Highlights

ERYTECH's key financial figures for the first six months of 2016, compared with the same period of the previous year, are summarized below:

Key figures (in thousands of euros):

	1H (6 months) 2016	**1H (6 months) 2015**	**Variation**
Revenues	0	0	0
Other income	2,403	1,474	929
Total operating income	**2,403**	**1,474**	**929**
Operating expenses:			
Research & development	(8,800)	(5,231)	(3,569)
General & administrative	(4,222)	(3,107)	(1,115)
Total operating expenses	**(13,022)**	**(8,338)**	**(4,684)**
Operating loss	**(10,618)**	**(6,863)**	**(3,755)**
Financial income	260	325	(65)
Income tax	9	5	4
Net Loss	**(10,349)**	**(6,533)**	**(3,816)**

	As of June 30, 2016	**As of December 31, 2015**	**Variation**
Net Cash and Cash Equivalents	**36,471**	**45,634**	**(9,163)**

Net loss for the first half of 2016 was €10.3 million, compared to net loss of €6.5 million for the same period of last year. The €3.8 million increase reflected increased expenses to advance the Company's preclinical and clinical development programs. The increase was driven by higher service and contracting fees, mostly related to the clinical and regulatory progress of product development projects, and by higher personnel costs resulting from the staffing of key positions in the preclinical, clinical and pharmaceutical operations domains intended to prepare the Company for further development, both in Europe and in the United States. Other income, which was mostly comprised of research and development tax credits and grants, increased in the same period and in approximately the same proportion.

As of June 30, 2016, ERYTECH had cash and cash equivalents totaling €36.5 million, compared with €45.6 million on December 31, 2015.

Net cash utilization for operating and investment activities was €4.1 million in the second quarter of 2016 and €9.2 million in the first half of 2016, compared with net cash utilization of €8.1 million in the second half of 2015, excluding the net cash impact of the December 2015 capital raise. As with net loss in the first half of 2016, net cash utilization reflected the increase in expenses related to product development and the strengthening of the Company's operations.

The financial results for second quarter 2016 are in line with the Company's expectations and established strategy for 2016, which focuses on advancing the clinical development of its innovative treatments for acute leukemia and other oncology indications in Europe and the United States.

Gil Beyen, ERYTECH's Chairman and Chief Executive Officer commented, *"In the first half of 2016, we made continued progress toward several important objectives. We are pleased to have submitted a response to the CHMP's Day 120 List of Questions related to our European Marketing Authorization Application for GRASPA for the treatment of ALL. We continue to advance GRASPA forward with the goal of obtaining approval in Europe and we have made significant progress in the ongoing clinical development of GRASPA for other oncology indications, including the recent completion of patient enrollment in our Phase 2b trial for the treatment of AML and the anticipated upcoming complete patient enrollment in our Phase 2 trial for treatment of pancreatic cancer. We have also continued to make progress on our preclinical programs and have further strengthened our organization, especially in the U.S."*

First Half 2016 Conference Call Details

As a reminder, ERYTECH management will hold a conference call, which will be broadcast live over the Internet, on Wednesday, September 07, 2016 at 15:00pm CET / 9:00am EDT to review the Q2 and 1H 2016 financial and operational highlights. Gil Beyen, Chairman and CEO, Eric Soyer, CFO and CFO and Iman El-Hariry, CMO will deliver a brief presentation, followed by a Q&A session.

Investors and analysts can access the call via the following teleconferencing numbers:

USA: +1 877 887 4163

United-Kingdom: +44 2030432440

Switzerland: +41 225809022

Germany: +49 69222229031

France: +33 172001510

Belgium: +32 24029640

Sweden: +46 850334664

Finland: +358 942599700

Netherlands: + 31 107138194

Confirmation Code: **79702432#**

A live Internet webcast of the call will be available via the following link: http://www.anywhereconference.com?UserAudioMode=DATA&Name=&Conference=135303493&PIN=79702432

Following the live webcast, a telephonic replay will be available for 90 days. To listen to the replay, please dial:

USA: +1 877 642 3018

United-Kingdom: +44(0) 2033679460

France: +33(0)1 72 00 15 00

Confirmation Code: **303493#**

Additionally, an archive of the webcast will be available on the "Webcast" section of the Company's investor relations site at www.erytech.com

Next financial updates:

- Financial highlights for the 3rd quarter of 2016: November 3, 2016 (after market close), followed by a conference call and webcast to be held on November 4, 2016 (3:00pm CET/9:00am ET)

Upcoming participations at investor conferences:

- JPMorgan Small/Mid-Cap Conference, September 14, London
- Small & MidCap event, October 5-6, Paris
- Bryan Garnier European Healthcare Conference, November 14-15, Paris
- Jefferies London Healthcare Conference, November 16-17, London
- Eigenkapitalforum (2016 German Equity Forum), November 21-24, Frankfurt

About ERYTECH and eryaspase (eryasp/GRASPA®): www.erytech.com

Founded in Lyon, France in 2004, ERYTECH is a clinical-stage biopharmaceutical company developing innovative therapies for rare forms of cancer and orphan diseases. Leveraging its proprietary ERYCAPS platform, which uses a novel technology to encapsulate therapeutic drug substances inside red blood cells, ERYTECH has developed a pipeline of product candidates targeting markets with high unmet medical needs. ERYTECH's initial focus is on the treatment of blood cancers, including acute lymphoblastic leukemia (ALL) and acute myeloid leukemia (AML), by depriving tumors of nutrients necessary for their survival. ERYTECH has recently filed for European Marketing Authorization for its lead product candidate, eryaspase, also known as eryasp and under the trade name GRASPA®, following positive efficacy and safety results from its completed Phase 2/3 pivotal clinical trial of GRASPA in Europe in children and adults with relapsed or refractory ALL. ERYTECH also has an ongoing Phase 1 clinical trial of eryaspase in the United States in adults with newly diagnosed ALL, and a Phase 2b clinical trial of GRASPA in Europe in elderly patients with newly diagnosed AML, each in combination with chemotherapy.

Eryaspase consists of an enzyme, L-asparaginase, encapsulated inside donor-derived red blood cells. L-asparaginase depletes asparagine, a naturally occurring amino acid essential for the survival and proliferation of cancer cells, from circulating blood plasma. Every year over 50,000 patients in Europe and the United States are diagnosed with ALL or AML. For about 80% of these patients, mainly adults and relapsing patients, current forms of L-asparaginase cannot be used due to their toxicity or as a result of allergic reactions. ERYTECH believes that the safety and efficacy profile of eryaspase/GRASPA®, as observed in its Phase 2/3 pivotal clinical trial, offers an attractive alternative option for the treatment of leukemia patients.

ERYTECH believes that eryaspase has the potential as a treatment approach in solid tumors and is conducting a Phase 2 clinical trial in Europe in patients with metastatic pancreatic cancer. In addition to its current product candidates that focus on using encapsulated enzymes to induce tumor starvation, ERYTECH is exploring the use of its platform for developing immunotherapy products and enzyme replacement therapies.

The European Medicines Agency (EMA) and the U.S. Food and Drug Administration (FDA) have granted orphan drug designations for eryaspase/GRASPA for the treatment of ALL, AML and pancreatic cancer. ERYTECH produces the product at its own GMP-approved and operational manufacturing site in Lyon (France), and at a site for clinical production in Philadelphia (USA). ERYTECH has entered into licensing and distribution partnership agreements for eryaspase for ALL and AML in Europe with Orphan Europe (Recordati Group), and for ALL in Israel with TEVA, which will market the product under the GRASPA® brand name.

ERYTECH is listed on Euronext regulated market in Paris (ISIN code: FR0011471135, ticker: ERYP) and is part of the CAC Healthcare, CAC Pharma & Bio, CAC Mid & Small, CAC All Tradable, EnterNext PEA-PME 150 and Next Biotech indexes. ERYTECH is also listed in the U.S. under an ADR level 1 program (OTC, ticker EYRYY).

CONTACTS

ERYTECH
Gil Beyen
Chairman and CEO
Eric Soyer
CFO and COO

+33 4 78 74 44 38
investors@erytech.com

The Ruth Group
Lee Roth
Investor relations
Kirsten Thomas
Media relations

+1 646 536 7012
lroth@theruthgroup.com
+1 508 280 6592
kthomas@theruthgroup.com

NewCap
Julien Perez
Investor relations
Nicolas Merigeau
Media relations

+33 1 44 71 98 52
erytech@newcap.eu

ERYP LISTED EURONEXT

OTCMarkets Ticker : EYRYY

Forward-looking information

This press release may contain forward-looking statements and estimates with respect to the financial position, results of operations, business strategy, plans, objectives and anticipated future performance of ERYTECH and of the market in which it operates. Certain of these statements, forecasts and estimates can be recognized by the use of words such as, without limitation, “believes”, “anticipates”, “expects”, “intends”, “plans”, “seeks”, “estimates”, “may”, “will” and “continue” and similar expressions. Statements in this press release that are not historical facts are forward-looking statements. Such statements, forecasts and estimates are based on various assumptions and assessments of known and unknown risks, uncertainties and other factors, which were deemed reasonable when made but may or may not prove to be correct. Actual events are difficult to predict and may depend upon factors that are beyond ERYTECH's control. There can be no guarantees with respect to pipeline product candidates that the candidates will receive the necessary regulatory approvals or that they will prove to be commercially successful. Therefore, actual results may turn out to be materially different from the anticipated future results, performance or achievements expressed or implied by such statements, forecasts and estimates. Documents filed by ERYTECH Pharma with the French Autorité des Marchés Financiers (www.amf-france.org), also available on ERYTECH’s website (www.erytech.com) describe such risks and uncertainties. Given these uncertainties, no representations are made as to the accuracy or fairness of such forward-looking statements, forecasts and estimates. Furthermore, forward-looking statements, forecasts and estimates only speak as of the date of the publication of this press release. Readers are cautioned not to place undue reliance on any of these forward-looking statements. ERYTECH disclaims any obligation to update any such forward-looking statement, forecast or estimates to reflect any change in ERYTECH’s expectations with regard thereto, or any change in events, conditions or circumstances on which any such statement, forecast or estimate is based, except to the extent required by law.