ERYTECH PHARMA

A Société Anonyme [French corporation] with a share capital of 565,827.20 euros
Headquarters: Bâtiment Adénine – 60, avenue Rockefeller
69008 Lyon
479 560 013 Lyon RCS (Registre du Commerce et des Sociétés [Trade and Companies Registry])

ISSUE NOTE

Made available to the public upon the admission, on the Euronext regulated market in Paris, of new shares within the scope of a reserved capital increase (hereinafter the "**Reserved Capital Increase**" for a maximum gross amount, premiums included, of 29,999,980.50 euros through the issue of 1,224,489 new shares with suppression of the shareholders' preferential subscription right, at a unit price of 24.50 euros

AMF AUTORITÉ DES MARCHÉS FINANCIERS

Visa of the Autorité des Marchés Financiers [French Financial Markets Authority]

In application of articles L. 412-1 and L. 621-8 of the French Monetary and Financial Code, and notably articles 211-1 to 216-1 of its General Regulations, the Autorité des Marchés Financiers placed visa no. 14-566 of October 23rd, 2014 on this prospectus.

This prospectus has been prepared by the issuer and legally binds its signatories. In compliance with the provisions of article L. 621-8-1-I of the Monetary and Financial Code, this visa was granted after the Autorité des Marchés Financiers verified *"if the document is complete and comprehensible, and if the information that it contains is consistent."* This visa implies neither an approval of the advisability of the transaction nor an authentication of the accounting and financial documents presented.

The prospectus (hereinafter the "**Prospectus**") is composed of:

- the reference document for ERYTECH PHARMA (hereinafter "**the Company**"), filed with the Autorité des Marchés Financiers on June 4, 2014 under number 14-038 (hereinafter the "**Reference Document**");
- The semi-annual financial report of June 30, 2014, distributed on September 2, 2014 (hereinafter the "**Semi-Annual Financial Report**"), incorporated by reference;
- this issue note (hereinafter the "**Issue Note**"), and
- a summary of the Prospectus (included in the Issue Note).

Copies of the Prospectus are available free of charge at the headquarters of ERYTECH PHARMA. The Prospectus can also be consulted on the Company's website (www.erytech.com) and on the website of the Autorité des Marchés Financiers (http://www.amf-france.org).

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WARNING

The information contained in this Prospectus allows for an equality of access to be maintained, on all significant points and insofar as required, between the various shareholders and investors, on the information pertaining to the Company.

The Prospectus contains information on the Company's objectives and forward-looking statements. This information is sometimes identified by the use of future, conditional, and forward-looking terms such as "estimate," "consider," "have the objective of," "anticipate," "intend," "should," "wish," "could," or any other variant or similar terminology. We draw the reader's attention to the fact that the fulfillment of these objectives and forward-looking statements may be affected by known and unknown risks, uncertainties, and other factors which may result in future results, performance, and fulfillment by the Company being significantly different from the objectives formulated or suggested.

Investors are invited to take into careful consideration the risk factors described in chapter 4 of the Reference Document, as well as those described in chapter 2 of this Issue Note, prior to making investment decisions. The occurrence of all or part of these risks may have a significant negative impact on the Company's activities, circumstances, financial results, or the achievement of its objectives. Additionally, other risks which have not yet been identified or considered to be significant by the Company could have the same significant negative effect and investors could thus lose all or part of their investment.

This document was translated from French for convenience purposes only. This translation is, to the best of our professional knowledge and belief, a faithful rendering of the following document: Note d'opération.

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SUMMARY OF THE PROSPECTUS

AMF (Autorité des Marchés Financiers) visa no. 14-566 of 23rd October, 2014

In this Issue Note, "**ERYTECH**" or the "**Company**" shall refer to the company ERYTECH PHARMA.

The summary is composed of required information identified as "Elements." These Elements are presented in sections A to E and numbered from A.1 to E.7.

This summary contains all the Elements necessary and required in a summary for this type of security and this type of Issuer.

Since certain Elements are not required, gaps may exist in the numbering sequence of the Elements.

Although an Element may be required in the summary, due to the type of security or Issuer, it is possible that no pertinent information can be given with regard to the Element. In this case, a short description of the Element is included in the summary, with the phrase "not applicable."

A. Introduction and warning

A.1	**Warning to the reader:** This summary should be read as an introduction to the Prospectus. Any decisions to invest in the securities in question should be based on an exhaustive examination of the Prospectus by the investor. Where any action concerning the information contained in the Prospectus is filed with a court, the complainant investor may, in accordance with the national legislation of the Member States, be required to sustain the costs for translation of the Prospectus prior to the start of the legal proceedings. The persons presenting the summary, including its translation, shall only incur their civil liability where the content of the summary is misleading, inaccurate, or contradictory as compared to the other parts of the Prospectus or where it fails to provide, when read in combination with the other parts of the Prospectus, key information assisting investors who are considering an investment in these securities.
A.2	**Issuer's consent** Not applicable

B. Issuer

B.1	**Company name** ERYTECH PHARMA ("**ERYTECH**", the "**Company**", or the "**Issuer**")
B.2	**Headquarters/Legal form/Legislation** ERYTECH PHARMA is a French corporation with a Board of Directors, subject to French law, and registered under number 479 560 013 Lyon RCS. The Company's headquarters is located at 60 Avenue Rockefeller, 69008 Lyon.
B.3	**Nature of operations and main activities** ERYTECH was founded in 2004 to develop and market innovative therapies for acute leukemia and other cancers for which medical needs remain unmet. ERYTECH's innovative approach involves acting

	on the environment of the tumor and "starving" it such that cancer cells can no longer access growth factors that they require to live and proliferate. ERYTECH's flagship product, ERYASP™/GRASPA® [1], is positioned as the treatment for acute leukemia, a blood and bone marrow cancer, which spreads quickly and requires urgent treatment. The two most common forms are acute lymphoblastic leukemia (ALL) and acute myeloid leukemia (AML), depending on the cells at the origin of the disease. Each year, approximately 50,000 patients are diagnosed with acute leukemia in Europe and the United States. ERYASP™/GRASPA® has compelling clinical results in several clinical trials and is in the final stages of clinical development with a view to obtaining marketing approval (MA) in Europe. Based on these results, ERYTECH forged two distribution partnerships for the European and Israeli markets with international companies Orphan Europe (Recordati Group) and the Teva Group.
B.4	**Main recent trends having impacts on the Company** **2013** On April 30, 2013, the Company had a remarkably successful initial public offering in compartment C of the regulated market NYSE Euronext Paris, by raising more than the target amount of €15 million, by reaching €17.7 million in funds raised. On May 6, 2013, the company thus modified its governance mode so as to implement a Board of directors instead of the Executive Board and the Board of Supervisors, and named Mr. Gil Beyen as Chairman and CEO, formerly the Chairman of the Board of Supervisors. *Europe:* The committee of independent experts (the Data Safety Monitoring Board or DSMB) in charge of monitoring the phase II/III clinical trial of GRASPA® among adults and children experiencing a relapse of ALL met and delivered a favorable opinion concerning the conduct of this clinical trial in phase III following the original protocol with a total pool of 80 patients. The European Union granted GRASPA® orphan drug designation for AML. The ANSM (Agence nationale de sécurité du médicament et des produits de santé [French National Agency of Medicine and Health Product Safety]) granted ERYTECH the right to begin a Phase IIb in AML. ERYTECH included its first patient on March 11, following the stated schedule. The committee of independent experts (the Data Safety Monitoring Board or DSMB) in charge of monitoring the Phase IIb clinical trial of GRASPA® in AML delivered a favorable opinion concerning the conduct of this clinical trial following an evaluation of the product's safety in 30 initial patients. *United States:* The FDA (US Food and Drug Administration) granted ERYTECH the right to start a phase Ib trial with ERYTECH™ for ALL. The USPTO (United States Patent and Trademark Office) delivered the patent protecting ERYTECH's technology, granting it exclusivity until 2029 with the potential for extension into 2034. Internationally, the company filed two new patent applications.

	2014 *Europe:* The Company has announced the results of its phase III for acute lymphoblastic leukemia (see also the press release in the appendix to this Issue Note, presenting the results in detail). The Company has recruited the first patient for its phase II study with its product ERY-ASP in the second-line treatment of pancreatic cancer. ERYTECH obtained a unanimous green light from its committee of independent experts for the conduct of the phase IIb study in acute myeloid leukemia, without requesting any modifications to the study or formulating any particular observations. The Company announced the addition of a new candidate drug to its oncology portfolio: "Affameur de tumeurs" [Tumor starvation inducer] ERY-MET. *USA:* The Company has recruited the first patient for its phase I/II study in the United States with its product ERY-ASP in acute lymphoblastic leukemia. The Company has obtained orphan drug designation for ERY-ASP in AML in the United States. **The Company created a subsidiary "Erytech Pharma, Inc." in the United States on April 9, 2014.** Internationally, the Company welcomed new shareholders following a reclassification operation with European institutional and American investors specialized in the field of healthcare. Internationally, the Company filed two new patent applications. In relation to governance, the Company welcomed Martine George and Hilde Windels to its Board of Directors as new, independent directors. Mrs. Vanessa Malier, a partner at Kurma Life Science Ventures and representative of Idinvest Partners, has resigned from the Company's Board of Directors.
B.5	**Description of the Group** The Company has a 100%-controlled subsidiary in the United States, and the subsidiary's financial statements will be consolidated as of June 30, 2014.

B.6 **Shareholders**

The Company's shareholder structure presented as follows at the date of this Prospectus:

	At the date of this Prospectus (non-diluted)			At the date of this Prospectus (fully diluted)			Forecast after capital increase within the scope of the capital increase (non-diluted)			Forecast after capital increase within the scope of the capital increase (fully diluted)		
Shareholders	Number of shares	% Share capital	% Voting rights	Number of shares	% Share capital	% Voting rights	Number of shares	% Share capital	% Voting rights	Number of shares	% Share capital	% Voting rights
Management	**603,290**	**10.66%**	**16.37%**	**1,085,840**	**17.47%**	**21.49%**	**603,290**	**8.77%**	**13.96%**	**1,085,840**	**14.59%**	**18.52%**
Pierre-Olivier Goineau	263,490	4.66%	7.43%	368,570	5.93%	8.26%	263,490	3.83%	6.34%	368,570	4.95%	7.12%
Yann Godfrin	292,990	5.18%	8.26%	398,070	6.40%	9.03%	292,990	4.26%	7.05%	398,070	5.35%	7.79%
Gil Beyen	34,000	0.60%	0.48%	172,630	2.78%	2.26%	34,000	0.49%	0.41%	172,630	2.32%	1.95%
Other management	12,810	0.23%	0.20%	146,570	2.36%	1.93%	12,810	0.19%	0.17%	146,570	1.97%	1.66%
Financial investors/PE (private equity) Funds	**1,089,642**	**19.26%**	**27.17%**	**1,089,642**	**17.53%**	**25.19%**	**1,089,642**	**15.83%**	**23.17%**	**1,089,642**	**14.65%**	**21.72%**
AMORCAGE RHONE ALPES	19,900	0.35%	0.63%	19,900	0.32%	0.59%	19,900	0.29%	0.54%	19,900	0.27%	0.50%
IDINVEST	51,530	0.91%	1.45%	51,530	0.83%	1.35%	51,530	0.75%	1.24%	51,530	0.69%	1.16%
AURIGA	1,018,212	18.00%	25.09%	1,018,212	16.38%	23.26%	1,018,212	14.79%	21.39%	1,018,212	13.69%	20.05%
Recordati Orphan Drugs	**431,034**	**7.62%**	**6.08%**	**431,034**	**6.93%**	**5.64%**	**431,034**	**6.26%**	**5.18%**	**431,034**	**5.79%**	**4.86%**
Other directors	**18,370**	**0.32%**	**0.26%**	**80,750**	**1.30%**	**1.06%**	**18,370**	**0.27%**	**0.22%**	**80,750**	**1.09%**	**0.91%**
Other BSPCE 2012				**12,250**	**0.20%**	**0.16%**				**12,250**	**0.16%**	**0.14%**
Other shareholders with less than 0.5%	**52,314**	**0.92%**	**1.28%**	**52,314**	**0.84%**	**1.19%**	**52,314**	**0.76%**	**1.09%**	**52,314**	**0.70%**	**1.03%**
Bearer held	**3,463,622**	**61.21%**	**48.84%**	**3,463,622**	**55.73%**	**45.28%**	**4,688,111**	**68.11%**	**56.37%**	**4,688,111**	**63.01%**	**52.83%**
Total	**5,658,272**	**100.00%**	**100.00%**	**6,215,452**	**100.00%**	**100.00%**	**6,882,761**	**100.00%**	**100.00%**	**7,439,941**	**100.00%**	**100.00%**

NB: The period for exercising share warrants$_{2012}$ and founder's share warrants$_{2012}$ runs from September 15, 2014 to October 15, 2
The non-diluted columns in the table are up-to-date for shares resulting from the exercise of options on 10/17/2014.
The fully diluted columns are not impacted by this period of exercise, since they take into consideration the shares resulting from the exercise of all diluting instruments.

B.7 **Key financial information**

We invite you to review the Semi-Annual Financial Report.

- **Summarized consolidated statement of balance sheet**

ASSETS (in thousands of euros)	**12/31/2013**	**06/30/2014**
NON-CURRENT ASSETS	**910**	**959**
Intangible assets	14	20
Tangible fixed assets	813	858
Non-current financial assets	83	82
Other non-current assets	-	-
Deferred tax assets	-	-
CURRENT ASSETS	**17,039**	**13,948**
Inventories	138	160
Clients and associated accounts	87	107
Other current assets	1,701	1,396
Cash and cash equivalents	15,113	12,289
TOTAL ASSETS	**17,949**	**14,907**

LIABILITIES (in thousands of euros)	**12/31/2013**	**06/30/2014**
SHAREHOLDERS' EQUITY	**13,587**	**11,179**
Capital	551	556
Premiums	42,741	43,441
Reserves	(21,560)	(29,633)
Net income	(8,145)	(3,184)
NON-CURRENT LIABILITIES	**848**	**778**
Provisions - Non-current portion	117	159
Financial liabilities - Non-current portion	731	619
Deferred tax assets	-	-
Other non-current liabilities	-	-
CURRENT LIABILITIES	**3,515**	**2,950**
Provisions - Current portion	-	-
Financial liabilities - Current portion	281	351
Trade payables and related accounts	1,421	1,440
Other current liabilities	1,812	1,158
TOTAL LIABILITIES	**17,949**	**14,907**

- **Consolidated statement of net income**

(in thousands of euros)	**06/30/2013 (6 months)**	**06/30/2014 (6 months)**
Sales revenue	-	-
Other income from activities	858	722
Income from regular operations	**858**	**722**
Research and development costs	(1,157)	(941)
Clinical studies	(992)	(767)
Intellectual property costs	(198)	(206)
Overhead and general costs	(1,450)	(1,991)
Results from regular operations	**(2,939)**	**(3,183)**
Regular operating results	**(2,939)**	**(3,183)**
Other operating income and expenses		
Operating results	**(2,939)**	**(3,183)**
Net cost of debt	(1,097)	(30)
Other financial income and expenses	(26)	33
Financial results	**(1,123)**	**4**
Before-tax results	**(4,062)**	**(3,180)**
Income tax	6	(4)
NET INCOME	**(4,056)**	**(3,184)**

- **Consolidated cash flow statement**

(in thousands of euros)	**06/30/2013 (6 months)**	**06/30/2014 (6 months)**
Net income	**(4,056)**	**(3,184)**
Expenses (income) not affecting cash		
- Depreciation (write backs) and provisions of non-current assets	118	139
- Depreciation (write backs) and provisions of current assets	-	-
- Expenses (income) as share-based payments	-	79
- Portion of grant reported under income	-	-
- Gains and losses on disposals	-	-
Operating subsidies	(858)	(707)
Cost of net financial debt	1,097	30
Income tax expenses (current and deferred)	(6)	4
Internal financing capacity before financial results and tax	(3,705)	(3,639)
Taxes paid	-	-
Changes in working capital needs related to business activities	212	336
Net cash flow generated by business activities	**(3,493)**	**(3,302)**
Cash flow related to investment operations		
Purchase of fixed assets	*(690)*	*(163)*
- Intangible assets	(14)	(9)
- Tangible fixed assets	(75)	(154)
- Financial assets	(602)	-
Disposal of fixed assets	-	*1*
- Intangible assets	-	-
- Tangible fixed assets	-	-
- Financial assets	-	1
Grants cashed	-	-
Effects of changes in perimeter	-	-
Net cash flow generated by investment operations	**(690)**	**(162)**
Net cash flow generated by financing operations		

	Increase in cash capital	16,711	56
	Costs of cash capital increase	(1,932)	-
	Loan issue	-	-
	Costs of loan issue	-	-
	Repayment of loans	(8)	(64)
	Treasury shares	-	649
	Interest paid	(2)	(4)
	Net cash flow generated by financing operations	**14,769**	**637**
	Changes in cash position	**10,586**	**(2,827)**
	Cash position at year start	7,875	15,113
	Cash position at year end	18,461	12,286
	Variation in net cash position	**10,586**	**(2,827)**

B.8	**Pro forma financial information** Not applicable
B.9	**Forecast or estimated income** Not applicable
B.10	**Reservations on the financial information contained in audit reports** Not applicable
B.11	**Net working capital** The Company's net working capital is sufficient with regard to its current obligations for the next 12 months
B.12	**Recent events** See B4

C. Securities

C.1	**Type, class, and identification number of new shares** 1,224,489 new common shares of the same class as the Company's existing shares. They will carry immediate dividend rights, will give the right, as of their issue, to all distributions decided by the Company as of this date, and will be admitted on the same quotation line as existing shares ISIN (International Securities Identification Number) code: FR0011471135

C.2	**Issue currency** Euro
C.3	**Number of shares issued and nominal value** At the date of the Prospectus visa, the capital totaled 565,827.20 euros fully paid up, divided into 5,658,272 common shares with a nominal value of 0.1 euro. After issue of the 1,224,489 new shares with a nominal value of 0.1 Euro, for which admission is requested, the number of shares constituting the Company's capital will be increased to 6,882,761 shares with a nominal value of 0.1 euro.
C.4	**Rights associated with the shares** According to the current state of French legislation and the Company's articles of incorporation, the main rights attached to the new shares issued within the scope of the capital increase are as follows: - Right to dividends; - Voting right; - Preferential subscription right for shares in the same class; - Participation right in any surplus in the event of liquidation. A double voting right is assigned to shares held in nominal form by the same shareholder for at least two years.
C.5	**Restrictions on the free transferability of shares** Not applicable
C.6	**Application for admission for trading on the regulated market** The new shares shall be subject to an application for admission on the Euronext regulated market in Paris ("Euronext Paris"). Their admission is scheduled for October 28, 2014, on the same quotation line as the Company's existing shares (ISIN code FR0011471135).
C.7	**Dividend policy** The Company has not distributed any dividends in the last three financial years.

D. Risks

D.1	**Main risks specific to the Issuer and its activities** The main risk factors specific to the Company and its activities are outlined in chapter 4 of the Reference Document and are supplemented in chapter 2 of this Issue Note by the following main risks: - **Risks associated with the Company's operations:** notably liquidity risk and the need for additional financing of activities, dilution risk, - **Risks associated with the Company's activities:** notably production risks, dependence on technologies owned by third parties, product delivery risk, risks associated with changes in the price of raw materials, risks associated with competition, the Company's liability in relation to defective products, risks associated with a possible failure in the processes established within ERYTECH, risks associated with ERYTECH suppliers and distributors, - **Legal and regulatory risks:** notably risks associated with the uncertain protection of patents and other intellectual property rights, risks associated with disputes regarding patents filed, risks associated with an inability to protect the Company's confidential information and know-

	how, risks associated with regulatory authorizations, exceptional events, and insurance-related risks, - **Market risks:** notably rate risk, equity risk, exchange rate risk, counter-party risk, off-balance sheet commitments, and country risks.
D.2	**Main risks specific to the new shares** - Shareholders will sustain a dilution of their investment stake in the capital and voting rights of the Company due to performance of the Reserved Capital Increase; - The market price of the Company's shares could fluctuate and decrease below the subscription price of the new shares; - The volatility and liquidity of the Company's shares could fluctuate significantly; - Sales of the Company shares could take place on the market during or after the subscription period and could have a negative impact on the market price of the Company's shares.

E. Offering

E.1	**Total amount of income from the issue and estimate of the total issue-related expenses** - Maximum gross income from the Reserved Capital Increase: twenty-nine million, nine hundred ninety-nine thousand, nine-hundred eighty euros and fifty cents - Estimate of expenses associated with the Reserved Capital Increase: one million, four hundred ninety-nine thousand, nine hundred ninety nine euros and twelve cents - Maximum net income from the Reserved Capital Increase: twenty-eight million, four hundred ninety-nine thousand, nine hundred eighty-one euros and thirty-eight cents
E.2	**Reasons for the offering, anticipated usage of income from the issue, estimated maximum net amount of income from the Reserved Capital Increase** The income from the issue for which admission is requested is intended to supply the Company with additional means to fully finance: - the complete development of a new Phase II or Phase III clinical study of ERYASP™/GRASPA® in oncology or hematological oncology, in Europe or in the United States. - the complete development of a new Phase II clinical study of ERYASP™/GRASPA® in oncology or hematological oncology, in Europe or in the United States. - the accelerated development of ERYASP™/GRASPA® in the United States and the complete performance of a Phase I/II clinical study. - the pre-clinical and clinical development of Phase I of ERY-MET for therapeutic indication in oncology or hematological oncology and the pharmaceutical production of GMP (Good Manufacturing Practice) lots of methioninase to supplement BPI financing. - the regulatory or clinical costs associated with the registration of ERYASP™/GRASPA® in Europe. - the structural costs incurred for performance of the above projects. It is anticipated that three-quarters of the income from the issue will go to ERYASP™/GRASPA® and ERY-MET projects and will be largely allocated to financing future clinical developments for these two drug candidates and notably their above-described trials. Based on the experience acquired by ERYTECH during the performance of the various clinical studies of ERYASP™/GRASPA in ALL, AML, and pancreatic cancer, the order of magnitude for the next clinical studies anticipated is known and similar to the studies already conducted.

	With this capital increase, ERYTECH will finance its portion of future expenses for ERY-MET, i.e., 52%, with the knowledge that BPI financing will support 48% of the project costs, as defined in the contract. In consideration of the development phases known at this date, the Company's current cash position and this additional financing will enable it to see the above-mentioned projects through to their end. Net income from the issue estimated at twenty-eight million, four hundred ninety-nine thousand, nine hundred eighty-one euros and thirty-eight cents.
E.3	**Methods and conditions of offering** **<u>Structure of the operation - Reserved capital increase</u>** The new shares for which admission was requested formed the object, from October 22, 2014 after market closure to October 23, 2014 before market opening, of a Reserved Capital Increase within the scope of a book building procedure, in France, in territories within the European Economic Area (the "EEA"), and outside the EEA, with the exception, in particular, of Canada and Japan. The Reserved Capital Increase pertained to 1,224,489 new common shares issued by the Company. **<u>Preferential subscription right – Priority subscription period</u>** <u>Not applicable</u> The new share issue was performed with suppression of the preferential subscription right within the scope of a Reserved Capital Increase to the benefit of categories of beneficiaries, performed in compliance with L. 225-129, L. 225-129-1, L. 225-129-2, and L. 225-138 of the French Commercial Code. The Company's shareholders expressly decided on the suppression of their preferential subscription right in a mixed general shareholders' meeting of June 17, 2014, in its 10th extraordinary resolution. **<u>Issue price of new shares:</u>** The issue price of new shares was set at 24.50 euros per share (nominal value of 0.1 euro + issue premium of 24.40 euros). This price reflects a 3.5% reduction as compared to the weighted average of the Company's share price in the last five trading sessions prior to establishing the price, i.e., 25.39 euros. **Dividend on shares issued:** Immediate. **Indicative timetable** October 22, 2014 after market closure Opening of order book for the Reserved Capital Increase October 23, 2014 Before market opening: - Closure of order book for the Reserved Capital Increase - Distribution of a press release announcing performance of the Reserved Capital Increase After market closure: - AMF visa on the Prospectus

	- Distribution of a press release announcing the visa obtained on the Prospectus and its methods of availability October 24, 2014 Distribution, by Euronext Paris, of the opinion on admission of the new shares October 27, 2014 Payment-Delivery of new shares October 28, 2014 Admission of new shares for trading on Euronext Paris **Lead Arranger and Bookrunner for the Reserved Capital Increase** Bryan, Garnier & Co. It is hereby noted that the company LifeSci Capital has also acted as placement agent exclusively in the United States.
E.4	**Interests that could significantly influence the Reserved Capital Increase** The lead arranger and bookrunner has provided and/or may provide in the future various banking, financial, investment, and other services to the Company, to their shareholders or their representatives, within the scope of which it has received or may receive a remuneration.
E.5	**Entity offering to sell shares - Lock-up agreement** **Name of the issuing company:** ERYTECH PHARMA **Company's abstention commitment:** Company's abstention commitment: as of the announcement of the Reserved Capital Increase and until expiry of a 90-day period from the date of payment/delivery of the new shares issued (for more information, see §5.4.5 herein).
E.6	**Dilution amount and percentage** *- Effect of the Reserved Capital Increase on the portion of shareholder equity* For the purpose of example, the effect of the issue on the portion of the Company's equity per share (calculations performed based on the Company's equity on October 17, 2014, excluding the results for the period from July 1st to October 17, 2014,- and based on the number of shares of which the capital is composed on October 17, 2014 after deduction of the treasury shares and taking into consideration the exercise of 91,700 BSPCE^{2012} and BSA^{2012} share warrants at October 17, 2014 and a subscription price of 24.50 euros per share) shall be as follows:

Portion of shareholder equity

(in euros)

	Non-diluted basis	*Diluted basis*[(1)]
Prior to issue of the new shares originating from the Reserved Capital Increase	*2.11*	*2.75*
After the issue of 1,000,000 new shares originating from the Reserved Capital Increase	*5.87*	*6.13*

(1) In the event that the dilutive instruments existing at the date of this Issue Note and giving right to the assignment of 557,180 potential additional shares are exercised.

- Effect of the Reserved Capital Increase on the shareholders' financial position

For the purpose of example, the effect of the issue on the investment stake in the capital of a shareholder holding 1% of the Company's share capital prior to the Reserved Capital Increase (calculations performed based on the number of shares of which the capital is composed at October 17, 2014 and on the subscription price of 24.50 euros per share) shall be as follows:

Shareholder investment stake

(in euros)

	Non-diluted basis	Diluted basis[(1)]
Prior to issue of the new shares originating from the Reserved Capital Increase	1%	0.91%
After the issue of 1,000,000 new shares originating from the Reserved Capital Increase	0.82%	0.76%

(1) In the event that the dilutive instruments existing at the date of this Issue Note and giving right to the assignment of 557,180 potential additional shares are exercised.
For a reconciliation between the shareholders' equity used in the equity and indebtedness table and the shareholders' equity used in the presentation of diluting effects, see section 3.2.

E.7 **Expenses invoiced to the investor**

Not applicable

1. RESPONSIBLE PARTIES

1.1 PERSON RESPONSIBLE FOR THE PROSPECTUS

Mr. Gil Beyen
Chairman and Chief Executive Officer

1.2 DECLARATION BY PERSON RESPONSIBLE FOR THE PROSPECTUS

"I hereby declare, after having taken all reasonable measures to this effect, that, to my knowledge, the information contained in this Prospectus is accurate and does not contain any omissions that may alter its nature or intent.

We have obtained a certification letter from the statutory auditors, in which they declare that they have performed an audit of the information in the financial statement and the accounts reported in this Prospectus, and have read the entire Prospectus.

The historical financial information presented in the Reference Document registered on June 4, 2014 under no. 14-038 is reported in the statutory auditors' reports for the financial year ending December 31, 2013, provided in chapters 19 and 20 of the Reference Document.

The historical financial information presented in the Semi-Annual Financial Report is reported in the statutory auditors' reports on the financial statements as of June 30, 2014."

Declaration made in Lyon, on October 23, 2014.

Mr. Gil Beyen
Chairman and Chief Executive Officer

1.3 PERSON RESPONSIBLE FOR THE FINANCIAL INFORMATION

Mr. Pierre-Olivier Goineau
Vice President and Chief Operating Officer

Tel.: +33 4 78 74 44 38
Fax: +33 4 78 75 56 29
e-mail: investors@ERYTECH.com

2. RISK FACTORS

The risk factors pertaining to the Company and its activities are described in chapter 4 of the Reference Document.

Additionally, the risk factors pertaining to the capital increase via a Reserved Capital Increase are as follows:

Dilution of current shareholders

Current shareholders will sustain a dilution of their investment stake in the capital and voting rights of the Company due to performance of the Reserved Capital Increase.

Shareholders may sustain a 9% dilution resulting from the full exercise of all the BSA^{2012} and BSPCE^{2012} warrants assigned and in circulation at this date (see §9.3 herein).

The market price of the Company's shares could fluctuate and decrease below the subscription price of the new shares

The market price of the Company's shares during the subscription period may not reflect the market price of the Company's shares at the issue date of the new shares.

The Company's shares may be traded at prices below market price prior to the operation's launch. No assurance can be given to the effect that the market price of the Company's shares will not fall below the subscription price of the new shares. No assurance can be given regarding the fact that, subsequent to subscription of the new shares, investors may sell their Company shares at a price equal to or greater than the subscription price of the new shares.

The volatility and liquidity of the Company's shares could fluctuate significantly

In recent years, stock markets have experienced significant fluctuations, which have often been unrelated to the results of the companies whose shares are traded. Market fluctuations and economic circumstances could increase the volatility of the Company's shares. The market price of the Company's shares could fluctuate significantly in relation to different factors and events, which may include the risk factors described in the Reference Document forming a part of the Prospectus, as well as the market liquidity of the Company's shares.

Sales of the Company shares could take place on the market during or after the share subscription period and could have a negative impact on the market price of the shares

The sale of the Company's shares on the market, or the anticipation that this sale may take place, during or after the subscription period could have a negative impact on the market price of the Company's shares. The Company cannot foresee the future effects on the market price of shares, of the sale of shares by its shareholders.

3. BACKGROUND INFORMATION

The information contained in this Prospectus allows for an equality of access to be maintained, on all significant points and insofar as required, between the various shareholders and investors, on information pertaining to the Company.

3.1 NET WORKING CAPITAL

The Company declares that, from its perspective, its net working capital prior to the Reserved Capital Increase outlined in this Issue Note is sufficient with regard to its current and future obligations over the next twelve months, as of the date of the Autorité des Marchés Financiers' visa on the Prospectus.

3.2 EQUITY AND INDEBTEDNESS

In compliance with paragraph 127 of the ESMA recommendations (*European Securities Market Authority – ESMA/2011/81*), the table below outlines the debt and equity position as of 08/31/2014.

Equity and indebtedness *Based on the IFRS (International Financial Reporting Standards) financial statements in euros*	**08/31/2014**
Total current debts:	**345,671**
Current debt secured by guarantees	
Current debt secured by pledges	
Current debt not secured by guarantees or pledges	345,671
Total non-current debts (excluding current portion of long-term debts)	**462,873**
Non-current debt secured by guarantees	
Non-current debt secured by pledges	
Non-current debt not secured by guarantees or pledges	462,873
Shareholders' equity	**11,238,046**
Share capital	556,420
Additional paid-in capital	43,499,169
Reserves	(29,633,487)
Results	(3,184,056)

The results thus presented, as well as the reserves, are from the 06/30/2014 financial statements issued by the board of directors on August 29, 2014.

The share capital and additional paid-in capital presented in the table above are from the financial statements prepared in accordance with IFRS standards at August 31, 2014 and take into consideration the treasury shares at August 31, 2014.

The share capital presented at the top of this document corresponds to the legal share capital at October 17, 2014 and takes into consideration the exercise of BSA^{2012} and BSPCE^{2012} warrants up to October 17, 2014.

Lastly, the shareholders' equity taken into consideration in the dilution tables in part 9 of this document take into consideration:

- the legal share capital at August 31, 2014,
- the exercise of BSA^{2012} and BSPCE^{2012} warrants up to October 17, 2014,
- the treasury shares held by the company at October 17, 2014,
- the period results from January 1st to June 30, 2014.

The impact of these elements can be summarized as follows:

	According to table §3.2	Impact of changes between 08/30 and 10/17/14	Used for tables in §9
Share capital	**556,420**	**9,282**	**565,702**
- Legal share capital	*556,657*		*565,827*
- Impact of BSAs and BSPCEs exercised between 08/31 and 10/17/14		*9,170*	
- Impact of variation in treasury shares	*(237)*	*112*	*(125)*
Additional paid-in capital	**43,499,169**	**664,472**	**44,163,641**
- Impact of BSAs and BSPCEs exercised between 08/31 and 10/17/14		*665,925*	*665,925*
- Impact of variation in treasury shares		*(1,453)*	*(1,453)*
Reserves	**(29,633,487)**		**(29,633,487)**
Results	**(3,184,056)**		**(3,184,056)**
Shareholder equity	**11,238,046**	**673,754**	**11,911,800**

Company's net indebtedness *Based on the IFRS financial statements in euros*	**08/31/2014**
A - Cash	921,229
B - Cash equivalents	10,000,000
C - Securities	
D - Liquidity (A+B+C)	**10,921,229**
E - Short-term financial receivables	
F - Short-term bank debts	
G - Portion of medium- and long-term debts at less than one year	345,671
H - Other short-term financial debts	
I - Current short-term financial debts (F+G+H)	**345,671**
J - Net short-term financial indebtedness (I-E-D)	**(10,575,558)**
K - Bank loans at more than one year	
L - Bonds issued	
M - Other loans at more than one year	462,873
N - Net medium- and long-term financial indebtedness (K+L+M)	**462,873**
O - Net financial indebtedness (J+N)	**(10,112,685)**

As of 06/30/2014, the Company assigned, during its Board of Directors' meeting on July 17, 2014, the final tranche of its BSPCE (bons de souscription de parts de créateur d'entreprise [founder's share warrants])$_{2012}$ plan for its executives and managers, i.e., 13,176 founder's share warrants$_{2012}$, as well as 1,000 BSA (bons de souscription d'action [share warrants])$_{2012}$ for its non-executive directors.

Aside from the elements presented in the annex to this issue note, which were communicated in a press release issued on September 30, 2014, the Company is not aware of any events since August 31, 2014 that may modify the financial position presented above.

We invite you to review the Semi-Annual Financial Report.

3.3 INTERESTS OF NATURAL AND LEGAL PERSONS PARTICIPATING IN THE ISSUE

Bryan, Garnier & Co., in its capacity as Lead Arranger and Bookrunner, has provided and may provide in the future various banking, financial, investment, and other services to the Company, to its shareholders, or to its representatives, within the scope of which it has received or may receive a remuneration.

It is hereby noted that the company LifeSci Capital has also acted as placement agent exclusively in the United States.

3.4 REASONS FOR THE ISSUE AND USE OF THE INCOME GENERATED

The income from the issue for which admission is requested is intended to supply the Company with additional means to fully finance:
- the complete development of a new Phase II or Phase III clinical study of ERYASP™/GRASPA® in oncology or hematological oncology, in Europe or in the United States.
- the complete development of a new Phase II clinical study of ERYASP™/GRASPA® in oncology or hematological oncology, in Europe or in the United States.
- the accelerated development of ERYASP™/GRASPA® in the United States and the complete performance of a Phase I/II clinical study.
- the pre-clinical and clinical development of Phase I of ERY-MET for therapeutic indication in oncology or hematological oncology and the pharmaceutical production of GMP lots of methioninase to supplement BPI financing.
- the regulatory or clinical costs associated with the registration of ERYASP™/GRASPA® in Europe.
- the structural costs incurred for performance of the above projects.

It is anticipated that three-quarters of the income from the issue will go to ERYASP™/GRASPA® and ERY-MET projects and will be largely allocated to financing future clinical developments for these two drug candidates and notably their above-described trials.
Based on the experience acquired by ERYTECH during the performance of the various clinical studies of ERYASP™/GRASPA in ALL, AML, and pancreatic cancer, the order of magnitude for the next clinical studies anticipated is known and similar to the studies already conducted.
With this capital increase, ERYTECH will finance its portion of future expenses for ERY-MET, i.e., 52%, with the knowledge that BPI financing will support 48% of the project costs, as defined in the contract.

In consideration of the development phases known at this date, the Company's current cash position and this additional financing will enable it to see the above-mentioned projects through to their end.

4. INFORMATION ON THE SECURITIES BEING OFFERED AND ADMITTED FOR TRADING

4.1 TYPE, CLASS, AND DIVIDENDS FOR THE SHARES OFFERED AND ADMITTED FOR TRADING

The new shares issued within the scope of the Reserved Capital Increase are common shares in the Company of the same class as the Company's existing shares.

They will carry immediate dividend rights and will give the right, as of their issue, to all distributions decided by the Company as of this date.

The new shares will be admitted for trading on the Euronext Paris market as of October 28, 2014, based on the indicative timetable.

They will be immediately fungible with existing Company shares, already traded on Euronext Paris, and tradable as of this date, on the same quotation line as these shares, under the same ISIN code FR0011471135.

4.2 APPLICABLE LAW AND RELEVANT COURTS

The shares are issued as pursuant to French law.

In the event of disputes, the relevant courts shall be those at the location of the ERYTECH headquarters where the Company is the defendant, and shall be designated in function of the nature of the dispute, except where stipulated otherwise in the French Code of Civil Procedure.

4.3 FORM AND METHOD OF SHARE BOOK-ENTRY

The new Company shares may take the form of nominal or bearer shares, at the choice of the shareholders.

In compliance with article L. 211-3 of the Monetary and Financial Code, they must be deposited into a securities account held, as applicable, by the Company or an authorized broker.

Consequently, the rights of holders shall be represented by a deposit, onto a securities account, opened in their name in the books:

- of Société Générale Securities Services (32, rue du Champ de Tir, CS 30812 44308 Nantes CEDEX 3, France), appointed by the Company, for shares held as fully registered shares;
- of an authorized broker of their choice and of Société Générale Securities Services, appointed by the company, for shares held as administered registered shares;
- of an authorized broker of their choice for shares held as bearer shares.

In compliance with articles L. 211-15 and L. 211-17 of the Monetary and Financial Code, the shares shall be transferred via an account-to-account transfer and the transfer of share ownership shall result from their entry in the buyer's securities account.

The Company shares shall be subject to an application to admit their clearance through Euroclear France, which shall ensure the clearing of shares between custodians.

According to the indicative timetable, it is anticipated that the Company shares will be deposited into the securities account at the latest on October 27, 2014.

4.4 ISSUE CURRENCY

The issue of new shares within the scope of the Reserved Capital Increase shall be performed in euros.

4.5 RIGHTS ATTACHED TO THE NEW SHARES

As of their creation, the new shares shall be subject to all the provisions of the Company's articles of incorporation.

Under current French legislation and the Company's articles of incorporation, the main rights attached to the new

shares are described below:

ARTICLE 9 CROSSING OF THRESHOLDS

All shareholders who come to hold or cease to hold, directly or indirectly, alone or jointly with another person, a number of shares or similar securities representing a portion of the capital or voting rights established by law must inform the Company of this, in accordance with the conditions established by the law and regulations.

Shareholders who have not respected these provisions shall be deprived of the voting rights attached to the shares exceeding the portion that should have been declared. The loss of voting rights shall apply to all shareholders' meetings held up to the expiry of a two-year period following the date on which the declaration was normalized.

ARTICLE 10 INCREASES IN SHARE CAPITAL

The share capital shall be increased by any means and according to any methods established by law.

An Extraordinary General Meeting, acting on a report by the Board of Directors, is the sole entity with competency to decide on a capital increase. It may delegate such competency or powers to the Board of Directors.

The shareholders have, proportionately to the amount of their shares, a preferential right to the subscription of shares issued by way of a cash contribution to perform a capital increase, a right that they can waive individually. An Extraordinary General Meeting may decide to withdraw this preferential subscription right under legally established conditions.

The right to the assignment of new shares to shareholders, following an incorporation of reserves, income, or issue premiums into the capital, belongs to the bare owner, without prejudice to the rights of the usufructuary.

ARTICLE 11 PAYMENT OF SHARES

All the original shares constituting the initial capital and representing cash contributions must be paid up in the amount of at least half their nominal value at the time of their subscription.

Shares subscribed during a cash-based capital increase must be paid up in the amount of at least one quarter of their nominal value at the time of their subscription and, where applicable, the entirety of the issue premium.

Payment of the remainder must take place on one or more occasions on the decision of the Board of Directors within a period of five years, i.e., this period starting on the day of registration in the Trade and Companies Register or, for a capital increase, on the day on which the capital increase became final.

Calls for funds shall be brought to the knowledge of subscribers by registered letter with acknowledgment of receipt sent at least fifteen days prior to the date established for each payment. Payments shall be paid either at the headquarters or at any other location indicated to this end.

Any delays in the payment of sums owing on the share amount not paid up shall result, duly and without the need to proceed with any formalities whatsoever, in the payment of interest at the legal rate, starting on the due date, without prejudice to any personal action that the Company may exercise against the defaulting shareholder and the enforcement measures established by law.

ARTICLE 12 REDUCTION - AMORTIZATION OF THE SHARE CAPITAL

A reduction of the capital may be authorized or decided on in an Extraordinary General Meeting which may delegate to the board of directors all powers to perform such reduction. In no case shall this harm the equal treatment of the shareholders.

A reduction in share capital for an amount below the legal minimum can only be decided pursuant to the suspensive condition of a capital increase intended to return the share capital to an amount at least equal to this minimum amount, except where the Company is transformed into another form of company.

In the event of non-compliance with these provisions, any interested parties may seek dissolution of the Company through the courts.

Nevertheless, the court cannot order its dissolution where, on the date on which it rules based on grounds, the situation has been normalized.

The capital may be amortized in accordance with legal provisions. Amortization of the capital may be decided in an Extraordinary General Meeting and must be performed, through sums distributable in accordance with article L. 232-11 of the Commercial Code, by way of an equal reimbursement on each share of the same class. It shall not result in a reduction of the capital. Shares fully or partially amortized shall lose the right to reimbursement at their nominal value, up to the amount of this amortization. They shall retain all their other rights.

ARTICLE 13 SHARE TYPES

The shares are nominal, up to their full payment. Where they are fully paid up, they can be nominal or bearer, as decided by the shareholders.

They shall give rise to the registration of an account opened pursuant to the conditions and methods established under current legal and regulatory provisions, by the issuing company or by a financial broker authorized by the French Minister of the Economy and Finance.

ARTICLE 14 INDIVISIBILITY OF THE SHARES – BARE OWNERSHIP – USUFRUCT

The shares are indivisible in the eyes of the Company. Indivisible co-owners of shares shall be represented in General Meetings by one of the co-owners or by a joint representative of their choice. In default of an agreement between them on the choice of a representative, this representative shall be designated by order of the President of the Commercial Court, ruling in an interim order on the application of the co-owner first making such request.

The voting right attached to a share belongs to the usufructuary for Ordinary General Meetings and to the bare owner for Extraordinary General Meetings. However, the shareholders may agree amongst themselves on any other distribution for the exercise of a voting right in General Meetings. In this case, they must bring their agreement to the knowledge of the Company by registered letter sent to the headquarters, the Company being required to respect this agreement for any General Meetings held after the expiry of a one-month period following mailing of the registered letter, the postmark being considered proof of the mailing date.

The shareholder's right to obtain the communication of company documents or to consult these documents may likewise be exercised by each co-owner of an undivided share, by the usufructuary, and the bare owner of shares.

ARTICLE 15 ASSIGNMENT AND TRANSFER OF SHARES

Shares can be freely traded, without prejudice to legal and regulatory provisions.

The ownership of shares issued in nominal form shall result from their registration in the name of the owners on the registers held to this end. Shares that are registered as necessarily being nominal may only be traded on the market where they have first been placed in a management account with an authorized broker.

Shares that are not registered as necessarily being nominal may only be traded on the market where they are converted to bearer shares.

Ownership of bearer shares shall result from their registration in a bearer account with an authorized financial broker.

The assignment of nominal or bearer shares shall take place, with regard to third parties and the company, by an account-to-account transfer into the accounts of the issuing company or those of the authorized financial broker.

The transfer of shares, free or charge or following a death, shall likewise take place by an account-to-account transfer upon the provision of evidence supporting the change in legal conditions.

ARTICLE 16 RIGHTS AND OBLIGATIONS ATTACHED TO THE SHARES

Each share gives right to the profits, the company assets in a share proportional to the proportion of capital that it represents.

Except where the law or the articles of incorporation stipulate otherwise, each share confers on its owner a vote in the shareholders' General Meetings.

All shareholders shall have the right to be informed of the Company's performance and to obtain the communication of certain company documents at the times and in accordance with the conditions established by the law and regulations.

Shareholders shall only sustain losses up to the amount of their contributions.

The possession of a share requires due adherence to the decisions of the shareholders in General Meetings and to these articles of incorporation. Assignments shall include all dividends matured and not paid or maturing in future, as well as any share in the reserve funds, except where provisions to the contrary are reported to the Company.

Whenever it is necessary to hold a certain number of shares to exercise a right, in the event of an exchange, regrouping, or assignment of title, or at the time of a capital increase or reduction, a merger, or any other operation, the shareholders holding a number of shares less than that required can only exercise these rights on the condition that they personally arrange to obtain the number of shares required.

ARTICLE 30 QUORUM – VOTE

General Meetings, whether they are ordinary, extraordinary, or mixed, shall deliberate in accordance with the conditions for a quorum and majority as established in the provisions governing them, and shall exercise the powers assigned to them by the law.

The voting right attached to capital or dividend shares is proportional to the portion of capital that they represent. Each share gives the right to one vote.

A double voting right is nevertheless assigned, in accordance with legal conditions, to all shares fully paid up for which evidence is provided, at the latest on the third day prior to the date of the shareholders' meeting, of nominal registration for at least two years in the name of the same shareholder, or in the name of a person holding such rights following a succession, a sharing of the community of property between spouses, or an inter vivos gift granted by a shareholder to his/her spouse or to a relative in the direct line of succession, or following a transfer resulting from a merger or a division of a shareholder company.

In the event of a capital increase through the incorporation of reserves, income, or issue premiums, the double voting right is granted, upon their issue, to nominal shares assigned free of charge to replace the previous shares already receiving such benefit.

The double voting right shall be duly withdrawn from any share having been converted to a bearer share or been subject to a transfer of ownership, except where this transfer results from a succession, a sharing of the community of property between spouses, or an inter vivos gift granted by a shareholder to his/her spouse or to a relative in the direct line of succession, or following a transfer resulting from a merger or a division of a shareholder company.

4.6 AUTHORIZATIONS

4.6.1 Shareholders' meeting authorizing the issue of shares

The issue of new shares within the scope of the Reserved Capital Increase was performed based on the tenth resolution of the extraordinary general shareholders' meeting of June 17, 2014, reproduced below:

DELEGATION OF POWER TO THE BOARD OF DIRECTORS TO ISSUE COMMON SHARES AND SECURITIES GIVING ACCESS, IMMEDIATELY OR IN THE FUTURE, TO COMMON SHARES IN THE COMPANY, WITH SUPPRESSION OF THE SHAREHOLDERS' PREFERENTIAL SUBSCRIPTION RIGHT, TO THE BENEFIT OF BENEFICIARY CATEGORIES

The general shareholders' meeting, ruling in accordance with the quorum and majority required for extraordinary general shareholders' meetings, after having heard the Board of Directors' report and the Auditor's special report and

having taken due note of the share capital having been paid up in full, and ruling in compliance with articles L. 225-129, L. 225-129-1, L. 225-129-2, and L. 225-138 of the Commercial Code:

- Hereby terminates, with immediate effect and for the unused portion, the authorization granted by the general shareholders' meeting of April 2, 2013, in its twenty-third resolution;

- Delegates to the Board of Directors, for a duration of 18 months from the date of this shareholders' meeting, its powers for the purpose of proceeding, one or more times, in accordance with the proportions and timelines upon which it so decides, with the issue of shares and/or securities giving access, by any means, immediately or in future, to common shares existing or to be issued by the Company, the subscription of which could be undertaken either in cash or through the offsetting of claims;

- Decides to suppress the preferential subscription right of shareholders to the securities forming the object of this authorization, to the benefit of natural or legal persons regularly investing in securities specific to the fields of healthcare;

- Decides that the total number of shares that can be issued, immediately or in future, by virtue of this delegation cannot be greater than 500,000 euros (with a nominal value of 0.10 euro), it being specified that the number of shares assigned as pursuant to this resolution shall be included within the total ceiling as established under the thirteenth resolution below, and that this amount shall not take into consideration additional shares to be issued to preserve the rights of bearers of securities giving access to the capital in compliance with applicable legal and regulatory provisions, as well as, where applicable, contractual provisions providing for other cases of adjustment;

- Decides that the issue price of the new shares shall be set by the Board of Directors, in compliance with the provisions of articles L. 225-138 II and R. 225-114 of the Commercial Code, and must be at least equal to the weighted average of the volumes for the last five trading sessions prior to its establishment, decreased, where applicable, by a maximum reduction of 10%, after correction of this average in the event of a difference in the dividend dates;

- Decides that the issue price of the new securities giving access to the capital shall be set by the Board of Directors in such a manner that the sums received immediately by the Company upon issue of the securities in question, increased by sums that may be subsequently received by the Company for each share attached to and/or underlying the securities issued, are at least equal to the minimum price established above;

- Decides that the Board of Directors shall have full powers to implement this delegation in accordance with the conditions established by law, notably for the purpose of:

    - deciding on the capital increase,
    - settling on the characteristics, type, amount, and methods of all issues, as well of the securities issued and their conditions of subscription or exercise,
    - settling on the list of beneficiaries within the above-mentioned beneficiary categories and the number of shares or securities to be assigned to each of these,
    - settling on the amount of the capital increase, where applicable, based on a report prepared by an independent expert,
    - determining the dates and methods of issue of the securities,
    - taking due note of the performance of each capital increase and proceeding with correlated modifications to the articles of incorporation,
    - generally, stipulating all agreements, notably for a successful outcome to the anticipated issues, taking all measures and undertaking all formalities useful to the issue, listing, and financial servicing of the securities issued by virtue of this delegation, as well as the exercise of rights associated therewith.

The general shareholders' meeting hereby acknowledges that this delegation implies a waiver, by the shareholders, of the preferential subscription right to the common shares of the Company where securities, such as may be issued on the basis of this delegation, may give such right.

The Board of Directors may, within the limits that it has established in advance, delegate to the Chief Executive Officer or, in agreement with the latter, to one or more delegated managing directors, the power conferred upon it as pursuant to this resolution.

4.6.2 Board of Directors' decision

By virtue of the delegation of power outlined above, the Board of Directors, in its meeting on September 22, 2014, decided in principle on a capital increase, with suppression of the preferential subscription right to the benefit of natural or legal persons regularly investing in securities specific to the fields of healthcare, through the issue of a maximum number of two million, five hundred and eighty-six thousand, two hundred and seven (2,586,207) new Company shares, with a nominal value of 0.10 euro, representing a capital increase for a maximum nominal amount of two hundred and fifty-eight thousand, six hundred and twenty euros and seventy cents (258,620.70 euros).

4.6.3. Decision of the Chief Operating Officer

The Company's Chief Operating Officer, acting as pursuant to a sub-delegation by the Board of Directors and the Chairman-CEO, decided on October 22, 2014 after market opening to proceed with a capital increase in cash, with suppression of the preferential subscription right within the scope of an offering stipulated for a nominal amount of 122,448.90 euros through the issue of 1,224,489 new common shares with a nominal value of 0.1 euro at a price set at 24.50 euros per share (i.e., a nominal value of 0.1 euro and an issue premium of 24.40 euros), to be fully paid up at the time of subscription, i.e., a capital increase for an amount, issue premium included, of 29,999,980.50 euros and an issue premium in the amount of 29,877,531.60 euros.

4.7 ANTICIPATED DATE OF ADMISSION OF NEW SHARES

According to the indicative timetable, the new shares will be admitted for trading on the Euronext Paris market as of October 28, 2014.

4.8 RESTRICTIONS ON THE FREE TRANSFERABILITY OF SHARES

No clause in the articles of incorporation limits the free transferability of shares constituting the Company's capital. Consequently, new shares may be freely traded as of their issue.

4.9 FRENCH REGULATIONS ON PUBLIC OFFERINGS

The Company is subject to the legislative and regulatory provisions in effect in France pertaining to mandatory public offers, buy-out offers, and squeeze-outs.

4.9.1 Mandatory public offers

Article L. 433-3 of the Monetary and Financial Code and articles 234-1 and following of the General Regulations of the Autorité des Marchés Financiers stipulate the conditions for the mandatory filing of a public offer pertaining to the entirety of the share capital and securities giving access to the capital or voting rights in a company whose shares are admitted for trading on a regulated market.

4.9.2 Buy-out offers and squeeze-outs

Article L. 433-4 of the Monetary and Financial Code and articles 236-1 et seq., 237-1 et seq., and 237-14 et seq. of the General Regulations of the Autorité des Marchés Financiers stipulate the conditions for the filing of a buy-out offer and the implementation of a squeeze-out procedure for the minority shareholders of a company whose shares are admitted for trading on a regulated market.

4.10 PUBLIC TENDERS LAUNCHED BY THIRD PARTIES ON THE COMPANY'S CAPITAL DURING THE LAST FINANCIAL YEAR AND THE CURRENT FINANCIAL YEAR

No public tenders have been launched on the capital of the company ERYTECH during the last financial year or the current financial year.

4.11 WITHHOLDINGS AT SOURCE AND DEDUCTIONS APPLICABLE TO DIVIDENDS

This section constitutes a summary of the tax laws that may apply in relation to withholdings at source on dividends paid by the Company, under current French tax legislation and without prejudice to the potential application of international tax treaties. The rules outlined below may be affected by subsequent legislative or regulatory modifications (accompanied, where applicable, by retroactive effect) or by a change in their interpretation by the French tax authorities. In any case, the purpose of this information is not to undertake a complete analysis of all the tax effects such as may apply to shareholders. Shareholders must check with their regular tax advisors on the tax rules applicable to their individual situations.

- ***Shareholders whose tax residence is located in France***

This sub-section describes the tax laws that may apply in relation to at-source withholdings on dividends paid by the Company to tax residents in France. The purpose of this information is not to undertake a complete analysis of all the tax effects such as may apply to shareholders who are tax residents in France. Shareholders must check with their regular tax advisors on the tax rules applicable to their individual situations.

(i) *Shareholders who are natural persons and whose tax residence is located in France*

The following paragraphs describe the tax laws that may apply in relation to at-source withholdings on dividends paid by the Company to natural persons who are tax residents in France holding Company shares within the scope of their private equity, outside the framework of a personal equity plan and not performing market operations under conditions akin to those characterizing an activity performed by a person undertaking this type of operation for professional purposes.

Withholdings at source

In application of article 117c of the General Tax Code (French "CGI"), dividends paid to natural persons with their tax domicile in France are subject to a flat-rate, non-definitive withholding tax at a rate of 21%, assessed based on the gross amount of income distributed, subject to certain exceptions.

This flat-rate, non-definitive withholding tax is performed by the establishment paying out the dividends, where it is established in France.

Where the paying establishment is established outside of France, the dividends paid by the Company shall be declared and the corresponding withholding tax paid, within the first 15 days of the month following that of the dividend payment, either by the taxpayer himself or by the paying establishment, where it is established within a Member State of the European Union or in Iceland, Norway, or Liechtenstein, and has been mandated by the taxpayer to this end.

This flat-rate, non-definitive withholding constitutes a tax installment on revenue and is included in the income tax in accordance with the progressive rate owing in relation to the year in which it is performed, the surplus being returned.

Further, in application of articles 119 bis 2 and 187 no. 2 of the CGI, independent of the place of residence and status of the beneficiary, if the dividends are paid outside France in a non-cooperative State or territory as pursuant to article 238-0 A of the CGI ("NCST"), the dividends paid by the Company shall form the object of an at-source withholding of 75% of the gross amount of the distributed income. The list of NCSTs is published by ministerial order and is updated annually.

Social security contributions

The gross amount of dividends distributed by the Company is likewise subject to social security contributions at a total rate of 15.5%, divided as follows: (i) the CSG (contribution sociale généralisée [general social contribution]) at a rate of 8.2% (of which 5.1% is tax deductible); (ii) the CRDS (contribution au remboursement de la dette sociale [contribution to the reimbursement of social debt]) at a rate of 0.5%; (iii) the social security contribution at a rate of 4.5%; (iv) the additional social security contribution at a rate of 0.3%; and (v) the solidarity contribution at a rate of 2%. These social security contributions are collected in the same manner as the flat-rate, non-definitive 21% withholding tax.

(ii) Shareholders who are legal persons and whose tax residence is located in France

Dividends paid by the Company to legal persons who are residents of France are not, in principle, subject to at-source withholdings. However, where the dividends paid by the Company are paid outside of France in an NCST, the dividends distributed by the company shall form the object of an at-source withholding of 75%.

- ***Shareholders whose tax residence is located outside France***

This sub-section describes the tax laws such as may apply in relation to at-source withholdings on dividends paid by the Company to shareholders, legal or natural persons, who are not tax residents of France and whose ownership of the shares is not ascribable to a fixed base or to a permanent establishment subject to tax in France. Non-residents must check with their regular tax advisors on the tax rules applicable to their individual situations, and must furthermore comply with the tax legislation in effect in their State of residence.

Dividends distributed by the Company shall, in principle, be subject to at-source withholdings, deducted by the establishment paying the dividends, where the tax domicile or headquarters of the beneficiary is located outside France, except where they relate to collective investment undertakings established on the basis of a foreign law situated within a Member State of the European Union or in another State or territory having stipulated, with France, a convention on administrative assistance to combat tax evasion and avoidance and where they satisfy the two following conditions: (i) raise capital with a certain number of investors with a view of investing this capital, in compliance with a defined investment policy, in the interests of these investors and (ii) present characteristics similar to those of collective investment undertakings under French law as established in section 1, paragraphs 1, 2, 3, 5, and 6 and sub-section 2, paragraph 2 or sub-paragraph 1, paragraph 1 of sub-section 3, or sub-section 4 of section 2, chapter IV, title 1, book II of the Monetary and Financial Code (BOFIP-Impôts [Official Government Finance-Tax Bulletin], BOI [Official Tax Bulletin]-RPPM [movable heritage revenue and profits]-PVBMI-RCM [revenue from investment income]- 30-30- 20-70 dated August 12, 2013).

Without prejudice to the information provided below, the rate of this at-source withholding is set, by virtue of article 187 of the CGI, at (i) 21% where the beneficiary is a natural person with tax domicile in a Member State of the European Union, Iceland, Norway, or Liechtenstein, (ii) 15% where the beneficiary is a non-profit organization that has its headquarters in a Member State of the European Union, Iceland, Norway, or Liechtenstein and will be taxed in accordance with the provisions of Article 206-5 of the General Tax Code where it has its headquarters in France, and at (iii) 30% in other cases.

However, independent of the place of residence and status of the beneficiary, and without prejudice to the provisions of applicable international tax treaties, where they are paid outside France in an NCST, the dividends distributed by the Company shall be subject to an at-source withholding at a rate of 75%.

The at-source withholdings may be reduced, or even canceled, by virtue, notably, (i) of article 119b of the General Tax Code, applicable under certain conditions to shareholders who are legal persons having their effective administrative headquarters in a Member State of the European Union, holding 10% of the Company's capital and fulfilling all the other conditions of article 119b of the CGI (BOFIP-Impôts, BOI-RPPM-RCM-30-30-20-10 of September 12, 2012) or (ii) of administrative doctrine in the cases and under the conditions established in the BOFIP-Impôts BOI-RPPM-RCM-30-30-20-40 of September 12, 2012 concerning companies or other organizations fulfilling the conditions to which application of the rules for parent companies and subsidiaries established under articles 145 and 216 of the CGI are subordinate and which have their effective administrative headquarters in a Member State of the European Union or in a State party to the agreement on the European Economic Area having stipulated with France an agreement on the elimination of double taxation containing an administrative assistance clause to combat tax evasion and avoidance and which cannot allocate the French at-source withholdings in their country of residence or (iii) of applicable international tax treaties, where appropriate.

It is the responsibility of Company shareholders to contact their usual tax advisor in order to determine whether they might benefit from a reduction or exemption in the at-source withholdings by virtue of the rules described above or the provisions of international tax treaties and, with a view to understanding the practical details for the application of these treaties, such as, in particular, those established in the BOFIP-Impôts under reference BOI-INT-DG-20-20-20-20 dated September 12, 2012 pertaining to the "normal" or "simplified" procedure for reductions or exemptions in at-source withholdings.

5 OFFER CONDITIONS

5.1 OFFER CONDITIONS, STATISTICS, ESTIMATED TIMETABLE, AND METHODS OF REQUESTING SUBSCRIPTION

5.1.1 Offer conditions

The new shares for which admission was requested formed the object, from October 22, 2014 after market closure to October 23, 2014 before market opening, of a Reserved Capital Increase to the benefit of natural or legal persons regularly investing in securities specific to the health care sectors and within the scope of a book building procedure, in France, in EEA territory, and outside the EEA, with the exception, in particular, of Canada and Japan. The Reserved Capital Increase pertained to 1,224,489 new common shares issued by the Company.

The new share issue was performed with suppression of the preferential subscription right within the scope of a Reserved Capital Increase to the benefit of categories of beneficiaries, performed in compliance with articles L. 225-129, L. 225-129-1, L. 225-129-2, and L. 225-138 of the Commercial Code. The Company's shareholders expressly decided on suppression of their preferential subscription right in a mixed general shareholders' meeting on June 17, 2014, in its 10th extraordinary resolution.

5.1.2 Amount of the new share issue

The total amount of the Reserved Capital Increase equals 29,999,980.50 euros (a nominal value of 122,448.90 euros and an issue premium of 29,877,531.60 euros) corresponding to the total amount of the issue, issue premium included, i.e., 1,224,489 new shares multiplied by the subscription price of a new share, i.e., 24.50 euros (composed of a nominal value of 0.1 euro and an issue premium of 24.40 euros). This price reflects a 3.5% reduction as compared to the weighted average of the Company's share price in the last five trading sessions prior to establishing the price, i.e., 25.39 euros.

5.1.3 Subscription period

The Reserved Capital Increase was performed from October 22, 2014 after market closure to October 23, 2014 before market opening.

Indicative timetable

October 22, 2014 after market closure

Opening of order book for the Reserved Capital Increase

October 23, 2014

Before market opening:
- Closure of order book for the Reserved Capital Increase
- Distribution of a press release announcing performance of the Reserved Capital Increase

After market closure:
- AMF visa on the Prospectus
- Distribution of a press release announcing the visa obtained on the Prospectus and its methods of availability

October 24, 2014

Distribution, by Euronext Paris, of the opinion on admission of the new shares

October 27, 2014

Payment-Delivery of new shares

October 28, 2014

Admission of new shares for trading on Euronext Paris

5.1.4 Revocation/Suspension of the offer

Not applicable

5.1.5 Reduction of subscription

Not applicable

5.1.6 Minimum and/or maximum amount of a subscription

Not applicable

5.1.7 Revocation of subscription orders

Not applicable

5.1.8 Payment of funds and share delivery methods

The funds paid against subscriptions have been centralized with Société Générale Securities Services / Global Issuer Services (32, rue du Champ-de-tir, BP 81236, 44312 Nantes Cedex 03), which is responsible for issuing the certificate attesting the deposit of funds confirming performance of the capital increase.

Creation of the new shares is scheduled for October 27, 2014.

5. 1.9 Publication of the offer results

The number of new shares to be issued within the scope of the Reserved Capital Increase has been set at 1,224,489 shares; their admission on Euronext Paris is the subject of this Prospectus.

5. 1.10 Procedure for the exercise and transferability of preferential subscription rights

Not applicable

5.2 SHARE DISTRIBUTION AND ALLOCATION PLAN

5.2.1 Categories of potential investors - Countries in which the offer was open

5.2.1.1 Categories of potential investors

The Reserved Capital Increase was performed through qualified investors regularly investing in securities specific to the fields of healthcare.

5.2.1.2 Countries in which the offer was open

The Reserved Capital Increase was performed within the territory of the European Economic Area (the "EEA") and outside the EEA with the exception, in particular, of Canada and Japan, in compliance with the rules specific to each country in which placement was undertaken.

No public offer was performed in any country.

5.2.2. Subscription commitments and intentions

Not applicable

5.2.3. Pre-allocation information

Not applicable

5.2.4. Notification to subscribers

Not applicable

5.2.5. Over-allotment and "green shoe"

Not applicable

5.3 SUBSCRIPTION PRICE

The issue price of new shares was set at 24.50 euros per share (nominal value of 0.1 euro + issue premium of 24.40 euros).

5.4 PLACING AND UNDERWRITING

5.4. 1 Contact information for the Lead Arranger and Bookrunner

BRYAN GARNIER & CO.
26, avenue des Champs Elysées
75008 Paris
France

In addition, the company LifeSci Capital has also acted as placement agent exclusively in the United States.

5.4.2 Contact information for authorized brokers responsible for the deposit of subscription funds and the financial servicing of shares

The funds paid against subscriptions have been centralized with Société Générale Securities Services (32, rue du Champ-de-tir, BP 81236, 44312 Nantes Cedex 03), which shall issue a certificate attesting the deposit of funds confirming performance of the capital increase.

Share servicing (registration of shares as nominal, conversion of shares to bearer) and the financial servicing of Company shares are provided by Société Générale Securities Services (32, rue du Champ-de-tir, BP 81236, 44312 Nantes Cedex 03).

5.4.3 Collateral arrangement

Not applicable

5.4.4 Signing date of the collateral arrangement

Not applicable

5.4.5 Abstention and retention commitment

The Company has undertaken, as of the announcement date of the performance of the Reserved Capital Increase and until expiry of a period of 90 calendar days following the date of payment/delivery of the newly issued shares, to not, except upon the prior, written agreement of Bryan, Garnier & Co., proceed with the issue, offer, or assignment, or to grant a promise of assignment, in any direct or indirect form (notably in the form of operations on derivative products using the shares as the underlying assets), of shares or securities, giving any rights through conversion, exchange, redemption, presentation of a warrant, or any other manner of assignment of securities issued or to be issued representing a portion of the Company's capital or any operation having a similar economic effect, nor to publicly formulate any intention of proceeding with one or more of the operations outlined above in this paragraph, it being specified that the following are excluded from the scope of this abstention commitment: (i) the new shares issued within the scope of the capital increase, (ii) securities that may be issued, offered, or assigned to employees or representatives of the Company or companies in its group within the scope of future plans authorized at the date of this Prospectus or which shall be authorized by a Company's general shareholders' meeting, and (iii) any operation as pursuant to the liquidity agreement stipulated by the Company.

6. ADMISSION FOR TRADING AND TRADING METHODS

6.1 ADMISSION FOR TRADING

The new shares issued within the scope of the Reserved Capital Increase have formed the object of an application for admission for trading on Euronext Paris.

They will be admitted for trading on this market as of October 28, 2014.

They will be immediately fungible with existing Company shares and will be tradable on the same quotation line, under ISIN code FR0011471135.

6.2 PLACE OF LISTING

The Company shares will be admitted for trading on Euronext Paris.

6.3 SIMULTANEOUS SHARE OFFERS BY THE COMPANY

Not applicable

6.4 LIQUIDITY AGREEMENT

The company has stipulated a liquidity agreement with Bryan, Garnier & Co. in compliance with the ethics charter of the Association Française des Marchés Financiers [French Financial Markets Association] (AMAFI).

6.5 MARKET STABILIZATION – INTERVENTION

No market stabilization or intervention operations are planned.

7. SECURITY HOLDERS HAVING ASSIGNED THESE SECURITIES

7.1. CONTACT INFORMATION FOR ASSIGNOR SHAREHOLDERS

- N/A

7.2. NUMBER OF SHARES ASSIGNED

- N/A

7.3. LOCK-UP AGREEMENT

The Company has undertaken, as of the announcement date of the performance of the Reserved Capital Increase and until expiry of a period of 90 calendar days following the date of payment/delivery of the newly issued shares, to not, except upon the prior, written agreement of Bryan, Garnier & Co., proceed with the issue, offer, or assignment, or to grant a promise of assignment, in any direct or indirect form (notably in the form of operations on derivative products using the shares as the underlying assets), of shares or securities, giving any rights through conversion, exchange, redemption, presentation of a warrant, or any other manner of assignment of securities issued or to be issued representing a portion of the Company's capital or any operation having a similar economic effect, nor to publicly formulate any intention of proceeding with one or more of the operations outlined above in this paragraph, it being specified that the following are excluded from the scope of this abstention commitment: (i) the new shares issued within the scope of the capital increase, (ii) securities that may be issued, offered, or assigned to employees or representatives of the Company or companies in its group within the scope of future plans authorized at the date of this Prospectus or which shall be authorized by a Company's general shareholders' meeting, and (iii) any operation as pursuant to the liquidity agreement stipulated by the Company.

8. ISSUE-RELATED EXPENSES

The gross income corresponds to the income from the number of new shares to be issued and from the unit subscription price of the new shares. The net income corresponds to the gross income less the costs outlined below.

The gross income from the issue totals twenty-nine million, nine hundred ninety-nine thousand, nine hundred eighty euros and fifty cents.

The remuneration of financial brokers and legal and administrative costs total approximately one million, four hundred ninety-nine thousand, nine hundred eighty-one euros and twelve cents.

The estimated net income totals approximately twenty-eight million, four hundred ninety-nine thousand, nine hundred eighty-one euros and thirty-eight cents.

9. DILUTION

9.1 EFFECT OF THE ISSUE ON THE PORTION OF EQUITY PER SHARE

For the purpose of example, the effect of the issue on the portion of the Company's equity per share (calculations performed based on the Company's equity on October 17, 2014, excluding the results for the period from July 1 to October 17, 2014, and based on the number of shares of which the capital is composed on October 17, 2014 after deduction of the treasury shares and taking into consideration the exercise of 91,700 BSPCE[2012] and BSA[2012] share warrants at October 17, 2013 and a subscription price of 24.50 euros per share) shall be as follows:

	Portion of shareholder equity	
	(in euros)	
	Non-diluted basis	*Diluted basis[(1)]*
Prior to issue of the new shares originating from the Reserved Capital Increase	*2.11*	*2.75*
After the issue of 1,000,000 new shares originating from the Reserved Capital Increase	*5.87*	*6.13*

(1) In the event that the dilutive instruments existing at the date of this Issue Note and giving right to the assignment of 557,180 potential additional shares are exercised.

For a reconciliation between the shareholders' equity used for the presentation of diluting effects and the shareholders' equity presented in the equity and indebtedness table, see section 3.2.

9.2 EFFECT OF THE ISSUE ON SHAREHOLDERS' POSITIONS

- Effect of the Reserved Capital Increase on the shareholders' financial position

For the purpose of example, the effect of the issue on the investment stake in the capital of a shareholder holding 1% of the Company's share capital prior to the Reserved Capital Increase (calculations performed based on the number of shares of which the capital is composed on October 17, 2014 and on the subscription price of 24.50 euros per share) shall be as follows:

	Shareholder investment stake	
	(in euros)	
	Non-diluted basis	Diluted basis[(1)]
Prior to issue of the new shares originating from the Reserved Capital Increase	1%	0.91%
After the issue of 1,250,000 new shares originating from the Reserved Capital Increase	0.82%	0.76%

(1) In the event that the dilutive instruments existing at the date of this Issue Note and giving right to the assignment of 557,180 potential additional shares are exercised.

9.3 EFFECT OF THE ISSUE ON THE DISTRIBUTION OF CAPITAL AND VOTING RIGHTS

For the purpose of example, the effect of the issue, within the scope of the Reserved Capital Increase, on the distribution of the Company's capital and voting rights (at the date of this Prospectus) is as follows (the percentage of capital and voting rights after the capital increase has been calculated based on the number of shares of which the capital will be composed upon payment/delivery of the shares (i.e., 1,224,489 shares):

	At the date of this Prospectus (non-diluted)			At the date of this Prospectus (fully diluted)			Forecast after capital increase within the scope of the capital increase (non-diluted)			Forecast after capital increase within the scope of the capital increase (fully diluted)		
Shareholders	Number of shares	% Share capital	% Voting rights	Number of shares	% Share capital	% Voting rights	Number of shares	% Share capital	% Voting rights	Number of shares	% Share capital	% Voting rights
Management	**603,290**	**10.66%**	**16.37%**	**1,085,840**	**17.47%**	**21.49%**	**603,290**	**8.77%**	**13.96%**	**1,085,840**	**14.59%**	**18.52%**
Pierre-Olivier Goineau	263,490	4.66%	7.43%	368,570	5.93%	8.26%	263,490	3.83%	6.34%	368,570	4.95%	7.12%
Yann Godfrin	292,990	5.18%	8.26%	398,070	6.40%	9.03%	292,990	4.26%	7.05%	398,070	5.35%	7.79%
Gil Beyen	34,000	0.60%	0.48%	172,630	2.78%	2.26%	34,000	0.49%	0.41%	172,630	2.32%	1.95%
Other management	12,810	0.23%	0.20%	146,570	2.36%	1.93%	12,810	0.19%	0.17%	146,570	1.97%	1.66%
Financial investors/PE (private equity) Funds	**1,089,642**	**19.26%**	**27.17%**	**1,089,642**	**17.53%**	**25.19%**	**1,089,642**	**15.83%**	**23.17%**	**1,089,642**	**14.65%**	**21.72%**
AMORCAGE RHONE ALPES	19,900	0.35%	0.63%	19,900	0.32%	0.59%	19,900	0.29%	0.54%	19,900	0.27%	0.50%
IDINVEST	51,530	0.91%	1.45%	51,530	0.83%	1.35%	51,530	0.75%	1.24%	51,530	0.69%	1.16%
AURIGA	1,018,212	18.00%	25.09%	1,018,212	16.38%	23.26%	1,018,212	14.79%	21.39%	1,018,212	13.69%	20.05%
Recordati Orphan Drugs	**431,034**	**7.62%**	**6.08%**	**431,034**	**6.93%**	**5.64%**	**431,034**	**6.26%**	**5.18%**	**431,034**	**5.79%**	**4.86%**
Other directors	**18,370**	**0.32%**	**0.26%**	**80,750**	**1.30%**	**1.06%**	**18,370**	**0.27%**	**0.22%**	**80,750**	**1.09%**	**0.91%**
Other BSPCE 2012				**12,250**	**0.20%**	**0.16%**				**12,250**	**0.16%**	**0.14%**
Other shareholders with less than 0.5%	**52,314**	**0.92%**	**1.28%**	**52,314**	**0.84%**	**1.19%**	**52,314**	**0.76%**	**1.09%**	**52,314**	**0.70%**	**1.03%**
Bearer held	**3,463,622**	**61.21%**	**48.84%**	**3,463,622**	**55.73%**	**45.28%**	**4,688,111**	**68.11%**	**56.37%**	**4,688,111**	**63.01%**	**52.83%**
Total	**5,658,272**	**100.00%**	**100.00%**	**6,215,452**	**100.00%**	**100.00%**	**6,882,761**	**100.00%**	**100.00%**	**7,439,941**	**100.00%**	**100.00%**

NB: The period for exercising BSA_{2012} and $BSPCE_{2012}$ runs from September 15, 2014 to October 15, 2014.
The non-diluted columns in the table are up-to-date for shares resulting from the exercise of options on 10/17/2014.
The fully diluted columns are not impacted by this period of exercise, since they take into consideration the shares resulting from the exercise of all diluting instruments.

10. ADDITIONAL INFORMATION

10.1 BOARD MEMBERS HAVING A LINK WITH THE ISSUE

Not applicable

10.2 AUDITORS

Statutory auditors

KPMG Audit Rhône Alpes Auvergne, a simplified limited company, Lyon Trade and Companies Registry 512 802 828, 51, rue de Saint Cyr - 69338 Lyon Cedex 9.

Date of first appointment: June 11, 2010.

Expiration date for term of office: the general meeting voting on the financial statements for the fiscal year ending December 31, 2015.

KPMG SA was the statutory auditor for the period from initial establishment of the Company and up to its replacement by KPMG Audit Rhône Alpes Auvergne on June 11, 2010, upon expiry of its term.

RSM CCI CONSEILS, which headquarters are in Lyon (69006) - 2 bis, rue Tête d'Or, registered under no. 398 384 198 Lyon Trade and Companies Register

Date of first appointment: June 17, 2014.

Expiration date for term of office: The ordinary general meeting voting on the financial statements for the fiscal year ending December 31, 2019

Deputy auditors

KPMG Audit Sud Est, a simplified limited company, Marseille Trade and Companies Register 512 802 729, 480, avenue du Prado 13269 Marseille Cedex 08.

Date of first appointment: June 11, 2010.

Expiration date for term of office: the general meeting voting on the financial statements for the fiscal year ending December 31, 2015.

The deputy statutory auditor from establishment of the Company and up to the expiry of his term on June 11, 2010, was Mr. Pierre Duranel, acting in his own name.

Mr. Pierre-Michel Monneret, residing in Lyon (69006) - 2 bis, rue Tête d'Or

Date of first appointment: June 17, 2014.

Expiration date for term of office: The ordinary general meeting voting on the financial statements for the fiscal year ending December 31, 2019

10.3 EXPERT REPORT

Not applicable

10.4 INFORMATION CONTAINED IN THE PROSPECTUS ORIGINATING FROM A THIRD PARTY

Not applicable

APPENDIX: PRESS RELEASE ON THE RESULTS OF PHASE III IN ACUTE LYMPHOBLASTIC LEUKEMIA

PRESS RELEASE

ERYTECH reports positive top-line Phase III results from clinical study with GRASPA® in Acute Lymphoblastic Leukemia

- GRASPA® meets primary endpoints compared to native L-asparaginase:
  - Statistically significant reduction of allergic reactions
  - Statistically significant increase in duration of asparaginase activity
- Secondary endpoints confirm the favorable clinical efficacy of GRASPA®
- GRASPA® well tolerated by patients with previous allergies to L-asparaginase
- Submission of European marketing authorization application targeted for 1H 2015
- Important validation of ERYTECH's technology forming strong basis for further leveraging the product and platform in other oncology indications

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Lyon (France), September 30, 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 needs, reports positive Phase III results from its pivotal study with GRASPA® in Acute Lymphoblastic Leukemia.

Analysis of the primary and first secondary efficacy endpoints of the GRASPALL clinical trial with one year follow up shows that the GRASPIVOTALL (GRASPALL2009-06) clinical trial convincingly meets both of its primary endpoints, and that the secondary efficacy endpoints analyzed so far confirm the favorable clinical efficacy profile of GRASPA®. The study also shows favorable results in patients with prior allergies to L-asparaginase.

The GRASPIVOTALL study is a controlled, multicenter Phase II/III trial with 80 children and adults suffering from relapsing or refractory Acute Lymphoblastic Leukemia (ALL) with three arms. The first two arms compare GRASPA® to native *E. Coli* L-asparaginase, both in combination with standard chemotherapy (COOPRALL), in a 1-to-1 randomization in patients without prior allergies to L-asparaginase. The third arm is an open label assessment of GRASPA® for patients who have experienced allergic reactions related to asparaginase in their first line treatment.

The primary endpoint of the study consisted of two objectives, in accordance with CHMP[1] advice: a) superior safety, expressed as a significant reduction of the incidence of allergic reactions with GRASPA® compared to the control group, and b) non-inferior duration of asparaginase activity above the threshold of 100 IU/l during the induction phase in the non-allergic patients. Both endpoints needed to be met for the study to be considered positive. The main secondary efficacy endpoints included the assessment of clinical parameters such as complete remission (CR), minimal residual disease (MRD), event-free survival (EFS) and overall survival (OS).

Primary endpoints met

- Statistically significant reduction of allergic reactions: none of the 26 patients in the GRASPA® arm experienced an allergic reaction versus 12 of the 28 (42.9%) patients treated with reference L-asparaginase in the control group (p<001).

[1] Based on Scientific Advice obtained from the Scientific Advice Working Party (SAWP) of the Commission for Human Medicinal Products (CHMP) at the European Medicines Agency (EMA)

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- Statistically significant increase in duration of circulating asparaginase activity: in the GRASPA® group, asparaginase levels were maintained above 100 IU/l for an average of 20.5 days with up to 2 injections during the first month of treatment (induction phase) versus 9.2 days in the control group with up to 8 injections of reference L-asparaginase (p<001).

Secondary endpoints confirm the favorable clinical efficacy of GRASPA®

- At the end of the induction phase, 15 patients (71.4%) in the GRASPA® arm show complete remission versus 11 patients (42.3%) in the control arm.

GRASPA® well tolerated by patients with previous allergies to L-asparaginase

- A favorable clinical profile was seen in patients with prior allergies to L-asparaginase with only 2 patients experiencing mild allergic reactions.

"The results of this study are an important step forward for the treatment of ALL patients that are at risk to receive L-asparaginase, which remains an important unmet medical need. The virtual absence of allergic reactions, also in patients with prior allergies to L-asparaginase, is very encouraging." comments Professor Yves Betrand, hemato-oncologist at IHOP (Institute for Pediatric Hematology and Oncology) in Lyon (France) and principal investigator of the GRASPALL study.

These results confirm earlier observations with GRASPA® in a Phase I/II randomized dose escalation study in 24 relapsing ALL patients, and a Phase II study in first line ALL patients over 55 years of age.

Further analysis of additional secondary and exploratory endpoints is ongoing. Results will be available later this year and are planned to be presented at an upcoming scientific conference.

Based on the results of the GRASPALL study and the earlier studies performed with GRASPA®, ERYTECH intends to submit its application dossier for European Marketing Authorization in the first half of 2015.

"We are very pleased and encouraged by the positive results of this Phase III study. They validate the potential of our red cell bioreactor technology platform to increase the therapeutic index and tolerability of certain drugs. With GRASPA®, the enzyme activity is protected by the red cell membrane, preventing neutralisation by circulating antibodies. I wish to take this opportunity to thank all people who contributed to this study, patients, physicians and the Erytech team and collaborators, for their efforts and dedication.", said Yann Godfrin, co-founder and Chief Scientific Officer of ERYTECH Pharma.

"The positive Phase III results mark the start of an exciting new period for ERYTECH", adds Gil Beyen, Chairman and Chief Executive Office. *"Not only will they form the basis for our filing for European Marketing Authorization in ALL, they also strengthen the case for GRASPA®/ERY-ASP in other hematological indications, such as AML and lymphomas, and in a broad range of solid tumors, where the toxicity has been a limiting factor for the use of asparaginase. Next to focusing on making the product available to ALL patients throughout Europe together with our partner Orphan Europe (Recordati Group), we will continue and even accellerate the developments in other indications and with other active ingredients."*

A Phase IIb study with GRASPA® in Acute Myeloid Leukemia (AML) is progressing well with more than half of the patients enrolled and a Phase II study in pancreatic cancer has been launched earlier this year. Building on these positive results with GRASPA® in ALL, the company plans to accelerate the development in ALL in the US and to launch Phase II clinical trials in additional oncology indications with high unmet medical need.

About Acute Lymphoblastic Leukemia (ALL)

Acute Lymphoblastic Leukemia (ALL) is an aggressive form of leukemia (blood or bone marrow cancer) that is characterized by a rapid and abnormal proliferation of lymphoid precursor cells. ALL usually progresses quickly and, if not treated, can be fatal within a few months. Every year about 10,000 people are diagnosed with ALL in Europe (EU27) and about 6,000 in the US. About 60% of these are children, 20% adults and 20% seniors (above 55 years of age). Thanks to the development of new therapies and medicines, notably asparaginase, the prognosis for children affected by ALL has increased considerably with 5 year survival rates having increase from 30% in the 1960s to around 90% today. For older patients (adults and seniors) and patients in relapse, who often don't tolerate existing asparaginase based therapies, overall long-term survival remains among the lowest in the field of cancer (10% to 30%), leaving an important unmet medical need.

About ERYTECH and ERY-ASP/GRASPA®: www.erytech.com

Created in Lyon in 2004, ERYTECH is a French biopharmaceutical company providing new prospects for cancer patients, particularly those with acute leukemia and selected solid tumors.

By encapsulating the asparaginase enzyme in red blood cells, ERYTECH has developed ERY-ASP/GRASPA®[2], an original treatment that targets cancer cells through "tumor starvation" while significantly reducing the side effects for patients. ERY-ASP/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) in Europe. The product is also in Phase I/II clinical development in ALL in the USA.

Every year about 50,000 patients are diagnosed with Acute Lymphoblastic Leukemia (ALL) or Acute Myeloid Leukemia (AML), the two forms of acute leukemia. Today, for about 80% of these patients, mainly adults and relapsing patients, current forms of asparaginase cannot be used due to their toxicity. With a presumed improved safety profile, ERY-ASP/GRASPA® is being developed to allow all leukemia patients to be treated, even the most fragile ones, representing a market opportunity of more than EUR 1 billion.

The company is also developing other indications in solid tumors and certain orphan indications outside oncology. A Phase II study in pancreas cancer is ongoing and the company is exploring other solid tumor indications for ERY-ASP.

ERYTECH has obtained orphan drug designations for ERY-ASP/GRASPA® in ALL, AML and pancreas cancer, both in Europe and the USA, and has its own GMP-approved and operational manufacturing site in Lyon (France), and a site for clinical production in Philadelphia (USA).

The company has concluded licensing and distribution partnership agreements for ALL and AML in Europe with Orphan Europe (Recordati Group), and for ALL with TEVA in Israel.

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

Forward-looking information

This document may contain forward-looking statements and estimates with respect to the financial situation, the results of operations, the strategy, the project and to the 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. They include all matters that are not historical facts. 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 the Company's control. There can be no guarantees with respect to pipeline products that the products will receive the necessary regulatory approvals or that they will prove to be commercially successful. Therefore, actual results, the financial condition, performance or achievements of ERYTECH, or industry results, may turn out to be materially different from any 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 our 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 document. ERYTECH disclaims any obligation to update any such forward-looking statement. Readers are cautioned not to place undue reliance on any of these forward-looking statements. forecast or estimates to reflect any change in the Company'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 French law.

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[2] Also known as ERY-ASP. GRASPA is the intended tradename of the product for use in ALL and AML in Europe and has been licensed to ERYTECH's commercial partner Orphan Europe (Recordati Group). ERY-ASP is the codename used outside Europe and in other indications.