

This is a free translation into English of the statutory auditors' report on the financial statements issued in French and it is provided solely for the convenience of English-speaking users.

The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions or disclosures.

This report also includes information relating to the specific verification of information given in the management report and in the documents addressed to the shareholders.

This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

Cellectis

Year ended December 31, 2015

Statutory auditors' report on the financial statements

JMH CONSEIL
8, rue de la Michodière
75002 Paris
S.A.R.L. au capital de € € 50.000

Commissaire aux Comptes
Membre de la compagnie
régionale de Paris

ERNST & YOUNG et Autres
1/2, place des Saisons
92400 Courbevoie - Paris-La Défense 1
S.A.S. à capital variable

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

Collectis

Year ended December 31, 2015

Statutory auditors' report on the financial statements

To the Shareholders,

In compliance with the assignment entrusted to us by your annual general meeting, we hereby report to you, for the year ended December 31, 2015, on:

- the audit of the accompanying financial statements of Collectis;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the board of directors. Our role is to express an opinion on these financial statements based on our audit.

I. Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the company as at December 31, 2015 and of the results of its operations for the year then ended in accordance with French accounting principles.

II. Justification of our assessments

In accordance with the requirements of article L. 823-9 of the French commercial code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matter:

Note 4.2.13 on "Recognition of revenue" sets forth the accounting rules and methods concerning revenue recognition. As part of our assessment of the accounting rules and principles followed by your company, we have verified the appropriateness of the accounting methods set forth above and the information provided in the notes, and we have satisfied ourselves that they were correctly applied.

These assessments were made as part of our audit of the financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. Specific verifications and information

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the board of directors and in the documents addressed to the shareholders with respect to the financial position and the financial statements.

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders or holders of the voting rights has been properly disclosed in the management report.

Paris and Paris-La-Défense, April 6, 2016

The statutory auditors
French original signed by

JMH CONSEIL

ERNST & YOUNG et Autres

Vincent Corrège

Franck Sebag



Société anonyme (public limited company) with capital of €1,758,931

divided into 35,178,614 shares of €0.05 par value each

Registered office: 8, rue de la Croix Jarry

75013 Paris

Paris Trade and Companies Register no. 428 859 052

ANNUAL FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

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1. BALANCE SHEET AT DECEMBER 31, 2015 – ASSETS

Amounts expressed in euros		December 31, 2015		December 31, 2014
ASSETS	Gross	Amort. provisions	Net	Net
Trademarks	66,703	-	66,703	66,703
Computer programs	368,088	307,602	60,486	12,259
Patents	4,386,357	3,506,260	880,097	1,013,615
Biologic licenses	36,083	36,083	-	-
Goodwill	18,003,392	8,416,064	9,587,328	9,587,328
Advances and prepayments	-	-	-	-
Intangible assets in progress	-	-	-	643,798
Intangible assets	22,860,622	12,266,009	10,594,614	11,323,702
Land	-	-	-	-
Buildings (<i>general facilities</i>)	2,548,082	1,701,584	846,499	1,166,861
Equipment and machinery	3,413,174	2,453,059	960,115	231,298
Facilities, fixtures	17,585	13,112	4,473	1,863
Office and IT equipment, furniture	289,221	185,184	104,037	39,113
Property, plant and equipment in progress	-	-	-	-
Property, plant and equipment	6,268,063	4,352,938	1,915,124	1,439,134
Investments in non-consolidated companies	9,915	9,906	9	9,907
Receivables from equity holdings	36,376,000	-	36,376,000	-
Other financial investments	722,680	-	722,680	660,919
Financial investments	37,108,594	9,906	37,098,688	670,826
Total fixed assets	66,237,279	16,628,853	49,608,426	13,433,662
Raw materials	-	-	-	-
Work in progress	-	-	-	-
Finished products	-	-	-	-
Consumables	157,589	-	157,589	135,012
Goods	-	-	-	-
Goods	-	-	-	-
Inventory	157,589	-	157,589	135,012
Advances and prepayments on orders	-	-	-	-
Trade receivables	6,057,988	231,039	5,826,949	7,584,089
Other receivables	19,359,387	1,131,122	18,228,265	21,881,660
Receivables	25,417,375	1,362,161	24,055,214	29,465,748
Marketable securities	30,361,385	-	30,361,385	15,536,175
Cash and cash equivalents	260,259,997	-	260,259,997	93,613,167
Miscellaneous	290,621,382	-	290,621,382	109,149,342
Total current assets	316,196,346	1,362,161	314,834,185	138,750,102
Prepaid expenses	3,817,568	-	3,817,568	884,967
Translation adjustments - Assets	237,454	-	237,454	61,729
Prepayments and deferred charges	4,055,022	-	4,055,022	946,696
TOTAL ASSETS	386,488,647	17,991,014	368,497,634	153,130,460

2. BALANCE SHEET AT DECEMBER 31, 2015 – LIABILITIES

LIABILITIES	December 31, 2015	December 31, 2014
Share capital	1,758,931	1,472,336
Issue, merger and acquisition premiums	395,909,313	195,416,216
Legal reserve	-	-
Regulated reserves	58,394	63,894
Other reserves	-	-
Vesting	-	-
Retained earnings	(115,744,697)	(118,576,227)
Net income for the fiscal year	11,370,668	2,831,531
Investment subsidies	-	-
Untaxed provisions	-	-
Total shareholders' equity	293,352,609	81,207,750
Revenue from issue of non-voting shares	-	-
Other equity capital	1,838,650	1,781,299
Other equity capital	1,838,650	1,781,299
Provisions for risks	821,246	533,296
Provisions for expenses	369,061	242,114
Total provisions for risks and expenses	1,190,307	775,410
Borrowings and bank financing	-	-
Borrowings and financial debt	-	-
Advances and prepayments received on orders	-	-
Trade payables	5,292,019	6,303,007
Tax and employee-related liabilities	10,251,866	3,439,396
Liabilities intangible assets and related accounts	-	-
Other borrowings	1,858,318	514,546
Total borrowings	17,402,203	10,256,949
Prepaid expenses	53,945,822	58,694,910
Translation adjustments - Liabilities	768,042	414,143
Miscellaneous	54,713,864	59,109,053
TOTAL LIABILITIES	368,497,634	153,130,460

3. INCOME

STATEMENT AT DECEMBER 31, 2015

<i>Amounts expressed in euros</i>	December 31, 2015	December 31, 2014
Sales of goods		-
Production of goods and services	52,671,168	22,706,204
Other revenue from related activities		-
Net revenues	52,671,168	22,706,204
Operating subsidies	365,286	1,309,270
Reversals of provisions and expense reclassifications	373,142	637,936
Other income	121,141	910
Operating income (Sub-total I)	53,530,736	24,654,321
Purchase of raw materials and other supplies	1,461,172	955,284
Change in inventory of raw materials and supplies	(22,576)	39,963
Other purchases and external charges	16,475,049	12,709,869
Duties and taxes other than on income	819,791	533,980
Salaries and wages	6,547,826	6,725,824
Employment-related expenses	15,372,407	3,557,626
Depreciation, amortization and charges to provisions		
<i>on fixed assets: depreciation and amortization</i>	1,055,286	667,490
<i>on current assets: charges to provisions</i>	9,067,791	-
Other operating expenses	2,265,215	2,696,136
Total operating expenses (Sub-total II)	53,041,959	27,886,173
R.1. Operating income (I-II)	488,777	(3,231,853)
Other interest income	1,681,972	798,580
Reversals of provisions and expense reclassifications	10,392	37,809,982
Foreign exchange gains	7,387,893	6,147,209
Total financial income (Sub-total III)	9,080,256	44,755,770
Financial allocations to amortization and provisions	190,163	61,729
Interest expenses	192,836	(1,416)
Foreign exchange losses	1,470,080	109,312
Total financial expenses (Sub-total IV)	1,853,080	169,625
R.2. Net financial income (III-IV)	7,227,177	44,586,146
R.3. Earnings from ordinary operations before tax (R.1 + R.2)	7,715,954	41,354,293
Non-recurring income from revenue transactions	11,541	
Non-recurring income from capital transactions	262,420	1,699,500
Reversals of provisions and expense reclassifications	762,122	670,320
Total non-recurring income (Sub-total V)	1,036,084	2,369,820
Non-recurring expenses on revenue transactions	66,264	16,617
Non-recurring expenses on capital transactions	1,967,234	44,216,228
Non-recurring allocations to amortization and provisions	386,625	432,000
Total non-recurring expenses (Sub-total VI)	2,420,124	44,664,845
R.4 Net non-recurring income (V-VI)	(1,384,040)	(42,295,025)
R.5. Pre-tax income (R.3 + R.4)	6,331,913	(940,732)
Corporate income tax (VII)	(5,038,754)	(3,772,262)
Net income/(loss) for the fiscal year (R.5+VII)	11,370,668	2,831,531
Number of common shares	35,178,614	29,446,721
Net income per share	0.32	0.10

4. NOTES TO THE ANNUAL FINANCIAL STATEMENTS

4.1 Presentation of the Company and significant events during the 2015 fiscal year

Collectis S.A. (hereafter referred to as "Collectis" or "we/us") is a French *société anonyme* (public limited company) based in France, with its registered office in Paris. We are a company that is specialized in genetic engineering, and we utilize our principal patented technologies in order to develop products in the emerging field of immuno-oncology. Our product candidates, based upon T-cells with selectively modified genes, which express Chimeric Antigen Receptors, or "CARs", are aimed at exploiting the power of the immune system, in order to target and eradicate cancers. Our technologies of genetic targeting make it possible for us to create CAR allogenic cells, which means that they come from healthy donors rather than from the patients themselves. In addition to our activity in immuno-oncology, we are also exploring the use of our technologies of targeted modification of genes in other therapeutic applications, and are seeking, through our Collectis Plant Sciences subsidiary, to develop healthier food products for a growing population.

The restructuring plan implemented in 2014 resulted in particular in the halting of the activity of the Tools and Services Division, the final part of which was the disposal of the Swedish subsidiary, Collectis AB, effective August 29, 2014.

Now, Collectis has accomplished this phase of recentering, and is now focused on two divisions: Therapeutic (immunotherapies founded on engineered CAR-T cells) and Plants.

In February 2014, Collectis S.A. signed a collaboration agreement with Servier. This partnership includes the development, and potentially, the marketing, of UCART19, the first candidate medication being developed at Collectis. The agreement also includes a research program, a development program, and potentially, a marketing program, for five other candidate medications targeting the treatment of solid tumors.

In June 2014, a series of agreements with Thermo Fisher Scientific were entered into, pertaining to applications of TAL effector nucleases under the TALEN™ brand. Collectis is obtaining a worldwide license with respect to the intellectual property rights held by Thermo Fisher for the TAL nucleases, in the therapeutic field, as well as for the marketing of the TALEN™ products and services of its subsidiary, Collectis Bioresearch, in the field of vegetal biotechnology for R&D.

In 2014, we also signed a worldwide collaboration agreement with Pfizer in the area of oncology, in order to develop immunotherapy products based upon T lymphocytes engineered with Chimeric Antigen Receptors (CAR-Ts) directed against the targets chosen.

On March 30, 2015, we issued 5,500,500 shares (American Depositary Shares) on Nasdaq, for an amount of €211.5 million. The expenses linked to the IPO were charged to share premium in the amount of €16,735 thousand.

In 2015, Collectis signed a rider to the Servier collaboration agreement, in which Servier exercises its option for an exclusive and worldwide license for UCART19, an allogenic therapy based upon CART-T cells targeting hematologic tumors, and which is on the point of entering into Phase 1 of development. This transaction gave rise to the receipt of €38.2 million, and the recognition of €18.8 million in revenues.

Pfizer and Servier also signed a worldwide exclusive licensing and collaboration agreement for the co-development and marketing of UCART19.

We also entered into alliances for research and development with both Weill Cornell Medical College and the University of Texas MD Anderson Cancer Center. These collaborations are aimed at developing targeted immunotherapies for patients suffering from liquid tumors. The alliance with the University of Texas MD Anderson Cancer Center concerns UCARTCS1, UCART22, and UCART38 in ALL (acute lymphocytic leukemia) T-cells and UCART123 in a rare, non-curable BPDCN (tumor of dendritic cells), and the alliance with Weill Cornell Medical College concerns only UCART123.

In late August 2015, ECTYCELL, a subsidiary of Collectis, merged with Collectis Bioresearch, a subsidiary of Collectis, effective retroactively to January 1, 2015. This merger created a technical loss of €8,416 thousand.

In December 2015, Collectis Bioresearch was absorbed by Collectis, effective retroactively to January 1, 2015. This merger generated a merger surplus of €2,045 thousand. The technical loss recorded at the time of the merger of ECTYCELL with Collectis Bioresearch, was fully written down on Collectis, for an amount of €8,416 thousand.

Lastly, the strategy put into place by Collectis' management consists of exploiting the transforming potential of our targeted genetic modification technologies and our expertise, through the two product platforms: our cell engineering platform, designed to deliver therapeutic products, and our plant-engineering platform, designed to supply safer food to a growing population.

4.2 Accounting principles and evaluation methods

The financial statements for the 2015 fiscal year are presented according to the rules and methods of the 1999 French General Accounting Plan.

Generally-accepted accounting principles have been applied, in respect of the principle of prudence, pursuant to the following basic assumptions:

- going concern;
- consistent use of accounting methods from one fiscal year to another;
- independence of fiscal years;

and pursuant to the general rules for the drawing up and presentation of annual financial statements.

The basic method used for the evaluation of items recorded in the statements is historical cost-basis accounting.

The preparation of the financial statements requires, on the part of the management, the exercise of judgment, to carry out estimates and to make the assumptions which have an impact on the application of the accounting methods and on the amounts of assets and liabilities, income and expenses. Future values may differ from these estimates.

The estimates and the underlying assumptions are reexamined in an ongoing manner. The impact of the changes in the accounting estimate is recognized during the course of the period of the change and of any subsequent affected periods.

4.2.1 Intangible assets

The Company does not capitalize research and development costs. All of the research costs are allocated as expenses to the profit-and-loss statement. However, the costs for filing and protection of patents which remain capitalized, are amortized using the straight-line method over a term of from 10 to 20 years.

Intangible assets include software, brands, and patents.

- Software is amortized using the straight-line method over one to three years.
- Brands are capitalized at their historic value. They have not been revalued since their recording in the historic costs statements.
- Costs for the filing of capitalized patents are amortized using the straight-line method over a 10- to 20-year term.
- Acquired patents are capitalized and amortized over the duration of their useful life at the time of the acquisition.

Intangible assets may be the subject of depreciation on a case-by-case basis, when their current value becomes less than their book value. The depreciation is directly recorded in assets, reflecting a decrease in value of the corresponding items.

4.2.2 Property, plant and equipment

Tangible assets are assessed at their historic cost (purchase price and related costs)

Assets are amortized using the straight-line method and according to the component-based method, depending upon the duration of the remaining useful life. The rates used are as follows:

- Laboratory equipment: from 3 to 15 years
- Office equipment: 5 years
- Computer equipment: 3 years
- Office furnishings: 10 years

4.2.3 Financial assets

The financial assets mainly consist of:

- investments:

The investments correspond to shares of the subsidiaries held by the Company. These entities are presented in the table of subsidiaries and affiliates.

The gross value of the investments consists of the purchase price of such shares. The acquisition costs are taken into account in the year in which they take place. Upon each closing, depreciation is recorded when the gross value of the shares is greater than the estimate of the value in use of the shares concerned. This estimate is calculated on the basis of forecast information, future outlooks, and future yields from the companies held;

- deposits and guarantees;
- treasury shares: The inventory value of treasury shares consists of the average stock-market price of the last month before the closing of the fiscal year. A depreciation must be recorded if such inventory value is less than the purchase price.

Other financial assets consist of security deposits in connection with the leasing of premises.

4.2.4 Inventories

Production consumables

The stock of production consumables (pharmaceutical products, chemical products, etc.) is valued at the average weighted purchase price.

Inventory depreciation

Each inventory category is the subject of a detailed review, pertaining both to the volumes and the quality of the inventory, and, if necessary, depreciation is recorded in order to take into account the risks of non-utilization, and of expiration.

4.2.5 Receivables

Receivables are valued at their nominal value.

Receivables are the subject of an assessment on a case-by-case basis, and are depreciated depending upon the appraised risk.

4.2.6 Cash and cash equivalents

Cash and cash equivalents consist of liquidities in current bank accounts, investment securities, and term deposits.

4.2.7 Subsidies and contingent advances

The Company benefits from public aid in the form of operating subsidies, or contingent advances.

The subsidies received are recorded as soon as the corresponding account receivable becomes certain, taking into account the conditions posed upon the granting of the subsidy.

Operating subsidies are recorded in current income taking into account, as applicable, the pace of the corresponding expenditures, in such way as to comply with the principle of matching expenses to income.

The advances received from public entities for the financing of the Company's research activities, the repayment of which is contingent, are presented in liabilities under the heading "Other equity".

4.2.8 Provisions for risks and expenses

Provisions for risks and expenses are constituted when the Company has an obligation with respect to a third party, and where it is likely or certain that it will have to address a withdrawal of resources to the benefit of such third party, without consideration. Such provisions are estimated, taking into consideration the most likely scenarios on the date of the closure of the accounts.

4.2.9 Commitments to employees

The Company's employees may receive retirement benefits.

Retirement commitments and similar commitments with respect to retirement compensation and awards for length of service as of December 31, 2015, were assessed by a statistical method.

The calculation is conducted on an individual basis. The commitment of the Company consists of the sum of the individual commitments.

The commitments towards employees are not recorded in the financial statements; information concerning them is reported off the balance sheet.

4.2.10 Foreign exchange transactions

Foreign-exchange-related expenses and income are recorded for their counter value upon the date of the transaction. The debts, receivables, and cash assets in foreign currencies appear in the balance sheet for their counter value at the exchange rate in force upon closure. The resulting difference from conversion of the debts and receivables in foreign currency at such latter exchange rate is entered into the balance sheet under the item "Translation adjustment". Unrealized exchange-rate losses are the subject of a provision for risk, in their totality.

4.2.11 Debts

Debts are assessed at their nominal amount.

4.2.12 Share subscription plan

The allocation, for consideration, of stock subscription warrants or of BSPCEs (French stock options for company start-ups) are recorded in equity under the heading "Share premiums, merger premiums, and paid-in capital" at the allocation price of such warrants.

At the time of the exercise of the warrants, the creation of the underlying shares is realized by an increase in conventional capital.

4.2.13 Recognition of revenue

Collaboration and licensing agreements

The Group has entered into collaborative agreements in research areas which may include non-reimbursable advances, the sale of rights of access to technology, and milestone payments and royalty payments. Moreover, the Group grants licenses for its technology to third parties, which can also be a part of the collaborative research agreements.

The non-reimbursable advances are deferred, and recorded in revenues in such a manner as to stagger them over the period of the collaboration agreement. The sales of technology, under non-cancellable, non-reimbursable, and fixed-price agreements are recorded once the technology has been delivered to the counterparty, and when the Group no longer has exclusive access to such technology.

The milestone payments represent amounts received from partners within such collaboration agreements. The receipt of such payments is dependent upon the achievement of certain scientific, regulatory or commercial objectives. Milestone payments are recorded in results when the operative event is proven, and where there are no longer any conditions precedent for their payment by third parties to be lifted by the Group. The operative events may be scientific results obtained by the Group or by the client, or regulatory approvals or marketing of products resulting from the development work carried out under the agreement.

The income resulting from royalties stems, according to the contractual terms, from the Group's right to a percentage of the sales of products carried out by its counterparties. They are recorded according to an accruals accounting method, according to the terms of the collaboration agreement, when the sales can be determined in a reliable manner, and recoverability of receivables resulting from royalties to be received is reasonably assured.

The income resulting from licensing royalties are recorded in a proportional manner over the term of the licensing agreements.

Sale of products and services

The income from the sale of products and services is recorded when the significant risks and benefits inherent to the ownership of the goods have been transferred to the buyer. Orders which are in progress are recorded in inventories. The Group also offers clients research services, which are recorded in revenues if the services are rendered, either according to time spent, or, proportionally to the duration of the contract, in the case of payment of a fixed amount.

4.2.14 Research tax credit

Companies which can prove expenditures meeting the requisite criteria benefit from a tax credit, which can be allocated to the amount of corporate income tax.

This tax credit is recorded under the heading "Corporate income tax".

4.2.1.5 Earnings per share

The earnings per share are calculated from results, and from the number of shares outstanding upon the closure of the fiscal year.

4.2.16 Diluted earnings per share

The diluted earnings per share are calculated from the results and from the number of shares outstanding upon the closure of the fiscal year, adjusted for the impacts from all potentially dilutive shares.

4.3 Notes to the balance sheet

4.3.1 Changes in fixed assets

4.3.1 Changes in fixed assets

	Increases		Decreases		
	Gross value of assets at the beginning of the fiscal year	through acquisitions, creations, contributions	by sale to third parties or removal from service	Transfers between line items	Gross value of assets at the end of the fiscal year
Amounts expressed in euros					
Brands	66,703	-	-	-	66,703
IT software	297,075	71,812	799	-	368,088
Patents	4,386,357	-	-	-	4,386,357
Biological licenses	36,083	-	-	-	36,083
Commercial fund	9,587,328	8,416,064	-	-	18,003,392
Advances and payments	-	-	-	-	-
Current intangible assets	643,798	-	643,798	-	-
Intangible assets	15,017,344	8,487,876	644,597		22,860,622
Land	-	-	-	-	-
Constructions - general facilities	2,381,389	166,694	-	-	2,548,082
Technical facilities, equipment	2,348,214	1,467,603	402,644	-	3,413,174
General fixtures and fittings	7,207	10,379	-	-	17,585
Office and computer equipment, furniture	387,851	175,683	274,313	-	289,221
Property, plant and equipment in progress	-	-	-	-	-
Property, plant and equipment assets	5,124,660	1,820,359	676,956	-	6,268,063
Equity interests	19,424,127	8	19,414,220	-	9,515
Receivables from equity interests	-	36,376,000	-	-	36,376,000
Other financial assets	660,918	45,078,072	45,016,311	-	722,680
Financial assets	20,085,045	81,454,080	64,430,531	-	37,108,595
Total	40,227,049	91,762,315	65,752,084	-	66,236,280

The decrease in investments comes from the cancellation of the Collectis Bioresearch shares (€19,414,000) following the merger-absorption of Collectis Bioresearch by the Company, effective retroactively to January 1, 2015.

The increase of other financial assets comes from the reclassifying of the Calyxt current account into advances available for consolidation.

4.3.2 Changes in amortizations

<i>Amounts expressed in euros</i>	Accumulated amortization at 1/1/2015	Provisions for the fiscal year*	Depreciation	Amortization pertaining to items removed from assets	Accumulate d amortization at 12/31/2015
Brands	-	-	-	-	-
IT software	284,816	22,786	-	-	307,602
Patents	3,372,742	133,518	-	-	3,506,260
Biological licenses	36,083	-	-	-	36,083
Commercial fund	-	-	-	-	-
Advances and payments	-	-	-	-	-
Intangible assets	3,693,642	156,304	-	-	3,849,945
Land	-	-	-	-	-
Constructions - general facilities	1,214,528	487,056	-	-	1,701,584
Technical facilities, equipment	2,116,916	612,523	-	276,380	2,453,059
General fixtures and fittings	5,344	7,768	-	-	13,112
Office and computer equipment, furniture	348,737	62,569	-	226,122	185,184
Property, plant and equipment in progress	-	-	-	-	-
Property, plant and equipment assets	3,685,525	1,169,916	-	502,501	4,352,938
Total	7,379,167	1,326,220	-	502,502	8,202,883

* The provisions for the fiscal year include the accumulated amortization at 1/1/2015 of Cellectis Bioresearch

4.3.3 Inventories and work in progress

<i>Amounts expressed in euros</i>	December 31, 2015	December 31, 2014
Raw materials	-	-
Work in progress	-	-
Finished products	-	-
Consumables	157,589	135,012
Contract work	-	-
Merchandise	-	-
Gross amount	157,589	135,012
Depreciation	-	-
Net amount	157,589	135,012

4.3.4 Statement of receivables by maturities

<i>Amounts expressed in euros</i>	Gross amount	To 1 year at maximum	Over 1 year
Receivables from equity interests	36,376,000	-	36,376,000
Loans	-	-	-
Other financial assets	722,680	-	722,680
Total income from fixed assets	37,098,680	-	37,098,680
Trade receivables	6,057,988	6,057,988	-
Doubtful and disputes trade receivables	-	-	-
Other receivables	314,428	314,428	-
Staff costs and related payables	4,546	4,546	-
Social security and other social entities	40	40	-
Research tax credit	8,227,319	8,227,319	-
Value-added tax	461,427	461,427	-
Other taxes, fees and similar payments	20,650	20,650	-
Subsidies to be received	1,980,749	1,980,749	-
Group and associated companies	8,350,225	8,350,225	-
Sundry debtors	-	-	-
Accruals and prepaid expenses	3,817,568	3,817,568	-
Accrued income	-	-	-
Total receivables from current assets	29,234,943	29,234,943	
Total	66,333,622	29,234,943	37,098,680

The trade receivables can be explained in part by the payments expected from Pfizer, Servier and Lonza.

4.3.5 Accruals

<i>Amounts expressed in euros</i>	December 31, 2015	December 31, 2014
Trade receivables	1,796,919	1,546,066
Other receivables	395,659	579,648
Cash assets	272,729	99,975
Total	2,465,307	2,225,689

The trade receivables correspond to invoices yet to be drawn up, and the cash assets are accrued interest receivable.

4.3.6 Other equity

"Other equity" amounting €1,838,650 consists of conditional borrowings.

4.3.7 Provisions and impairments

Amounts expressed in euros	Reversals in the fiscal year						
	Amount at beginning of fiscal year	Contributions through merger on 1/1/2015	Allocations for the fiscal year	Transfer	Used	Not used	Amount at end of fiscal year
Accelerated impairments	-	-	-	-	-	-	-
Total tax-driven provisions	-	-	-	-	-	-	-
Provisions for litigation	471,567	228,318	296,700	-	253,806	178,194	564,585
Provisions for restructuring	242,114	472,869	56,221	409,211	23,919	306,203	31,871
Provisions for pensions and similar obligations	-	-	-	-	-	-	-
Provisions for taxes	-	-	-	-	-	-	-
Provisions for loss on exchange	61,729	5,750	180,258	-	-	10,392	237,345
Provisions for exceptional contingencies and expenses	-	19,316	337,190	-	-	-	356,506
Total provisions for contingencies and expenses	775,410	726,253	870,369	409,211	277,725	494,789	1,190,307
Impairment of intangible assets	-	-	8,416,064	-	-	-	8,416,064
Impairment of property, plant and equipment	-	-	-	-	-	-	-
Impairment of inventory and goods in process	-	-	-	-	-	-	-
Impairment of credit accounts	-	50,216	246,908	-	66,085	-	231,039
Impairment of annual group statements	-	-	33,704	-	-	8,634	25,070
Impairment of non-current financial assets	19,414,220	-	9,906	19,414,220	-	-	9,906
Other impairments	-	1,106,052	67,629	-	-	67,629	1,106,052
Total impairment	19,414,220	1,156,268	8,774,211	19,414,220	66,085	76,263	9,788,131
Total	20,189,630	1,882,521	9,644,580	19,823,431	343,810	571,052	10,978,438
- Of which operations allocations and reversals			9,067,791		66,085	76,263	
- Of which financial allocations and reversals			190,153		-	10,392	
- Of which exceptional allocations and reversals			386,625		277,725	484,397	

In 2013 and 2014 years, Collectis implemented back-up plans for employment, and provisions totaling €2.4 million were recorded over the two fiscal years. The remaining provision at December 31, 2015, is €31 thousand, and it consists partly of

support measures amounting to €27 thousand. €409 thousand were reclassified from provisions for contingencies and expenses to other current liabilities due to the fact that these sums correspond to liabilities toward the French National Employment Agency related to the back-up plan for employment.

The provisions for contingencies and exceptional expenses comprise layoff pay amounting to €337 thousand.

Collectis Bioresearch's acquisitions cancel equity securities of €19,414 thousand and the related provision for impairment.

The €8,416 k impairment of intangible assets corresponds to the impairment of the technical merger loss recorded when Ectycell merged with Collectis Bioresearch.

The other impairments correspond to the impairment of a debt for subsidizing due to the mergers that occurred in 2015; it was recorded in 2014 by Ectycell and appears in Collectis' financial statements.

4.3.8 Statement of borrowings by maturity

Amounts expressed in euros	Gross amount	Less than 1 year	Between 1 and 5 years	More than 5 years
Borrowings and liabilities from credit institutions:	-	-	-	-
- Up to 1 year	-	-	-	-
- More than 1 year	-	-	-	-
Miscellaneous borrowings and financial liabilities	-	-	-	-
Total borrowings and financial liabilities	-	-	-	-
Trade payables and related accounts	5,292,019	5,292,019	-	-
Trade creditors-fixed assets and related accounts	-	-	-	-
Total trade payables liability	5,292,019	5,292,019	-	-
Personnel and related accounts	1,607,778	1,607,778	-	-
Social security and other social agencies	1,780,251	1,780,251	-	-
Income tax	-	-	-	-
Value-added tax	6,358,819	6,358,819	-	-
Other duties, taxes and equivalent payments	505,019	505,019	-	-
Group and partners	-	-	-	-
Other liabilities	1,858,318	1,858,318	-	-
Accrued income	53,945,822	31,345,196	22,600,626	-
Total	66,056,007	43,455,381	22,600,626	-
Total liabilities	71,348,026	48,747,399	22,600,626	-

The deferred income comes mainly from the deferment of €53,004 thousand of one part of the up-front paid by Pfizer Laboratories and the deferment of the Servier amendment.

4.3.9 Payable expenses

Amounts expressed in euros	December 31, 2015	December 31, 2014
Trade payables and related accounts	3,808,509	3,605,212
Tax and social security payables	2,960,702	2,674,540
Other payables	6,011	41,564
Total	6,775,222	6,321,316

4.3.10 Share capital

Different categories of securities	Nominal value	Number of securities			
		At beginning of fiscal year	Created during fiscal year	Repaid during fiscal year	At end of fiscal year
Stock	0.05	29,446,721	5,731,893	-	35,178,614

4.3.11 Financial instruments giving access to capital

Allocation date	Type	Number of bonds/shares issued at 12/31/2015	Number of bonds/shares invalid/exercised at 12/31/2015	Number of bonds/shares remaining at 12/31/2015	Maximum shares eligible for issue	Strike price, in euros
7/20/2007	(1) Start-up stock options C	228,767	95,775	132,992	138,125	13.75
2/28/2008	(1) Start-up stock options D	1,867	-	1,867	1,939	6.16
7/27/2010	(1) Start-up stock options E	59,108	39,406	19,702	20,464	7.97
3/24/2014	(2) Trout buy option	50,000	-	50,000	50,000	6.00
9/18/2012	(3) Free shares	102,099	99,123	2,976	2,976	
3/19/2013	(4) Free shares	102,000	92,000	10,000	10,000	
4/10/2014	(5) Free shares	100,000	2,000	98,000	98,000	
1/8/2015	(6) Free shares	50,000	-	50,000	50,000	
3/24/2015	(7) Stock options	1,907,297	91,967	1,815,330	1,815,330	38.45
3/27/2015	(8) Buy option	180,000	-	180,000	180,000	38.45
5/18/2015	(9) Buy option	50,000	-	50,000	50,000	29.58
5/18/2015	(10) Free shares	450,400	300	450,100	450,100	
8/9/2015	(11) Buy option	274,200	-	274,200	274,200	28.01
8/9/2015	(12) Stock options	1,982,300	50,000	1,932,300	1,932,300	27.55
Total		5,538,038	470,571	5,067,467	5,073,434	

- (1) As per a decision by the Board of Directors or General Meeting.
- (2) On March 19, 2014, we entered into an agreement with Trout Capital LLC by which they would act as placement agent to provide us with services related to the private investment of shares with qualified institutional investors or accredited institutional investors. On March 24, 2014, we issued four million common stock for private investment; this raised €20,520 thousand. Trout Capital LLC was paid €965 thousand in fees, including the fair value of €174,000 of the 50,000 buy options issued on March 24, 2014, and €791 thousand paid for in cash. These fees were deducted from the issue premium.
- (3) On September 18, 2012, the Board approved the allocation of 102,174 free shares, of which 102,099 were actually allocated to group employees. These shares will be permanently allocated at the end of a two-year period that started on September 18, 2012, and subject to the beneficiaries' presence in the group on that date. These shares must also be held for two years after the acquisition date in order to be assignable. The permanent acquisition of these shares was approved by a Board of Directors meeting on September 29, 2014. The remaining 2,976 shares are those that were allocated to foreign employees for whom the permanent allocation period is four years.
- (4) On March 19, 2013, the Board approved the allocation of 102,174 free shares, of which 102,000 were actually allocated to group employees. These shares will be permanently allocated at the end of a two-year period that started on March 19, 2013, and subject to the beneficiaries' presence in the group on that date. These shares must also be held for two years after the acquisition date in order to be assignable.
- (5) On April 10, 2014, the Board approved the allocation of 100,000 free shares to group employees. These shares will be permanently allocated at the end of a two-year period that starts on April 10, 2016, and subject to the beneficiaries' presence in the group on that date. These shares must also be held for two years after the acquisition date in order to be assignable.
- (6) On January 8, 2015, the Board approved the allocation of 50,000 free shares to a group employee. These shares will be permanently allocated at the end of a two-year period that started on January 8, 2015, and subject to the

beneficiary's presence in the group on that date. These shares must also be held for two years after the acquisition date in order to be assignable.

- (7) On March 24, 2015, the Board approved the allocation of two million stock options to group employees. These options may be exercised in an amount of 25% after the end of a 12-month period, and then for 6.25% each quarter, at the latest within ten years after their allocation, subject to the beneficiaries' presence in the group on that date.
- (8) On March 27, 2015, the Board approved the allocation of 200,000 buy options for company directors. The allocated buy options can be exercised in an amount of one-third of the buy options at the end of each year elapsed as of their issue, subject to the beneficiary's continuous presence on the Board of Directors. Buy options that are not exercised within a ten-year period shall be null and void.
- (9) On May 18, 2015, the Board approved the allocation of 50,000 buy options for a group consultant. The allocated buy options can be exercised in an amount of one-third of the buy options at the end of each year elapsed as of their issue, subject to the uninterrupted collaboration between the consultant and the group. Buy options that are not exercised within a ten-year period shall be null and void.
- (10) On May 18, 2015, the Board approved the allocation of 450,400 free shares to group employees. These shares will be permanently allocated at the end of a two-year period that started on May 18, 2015, and subject to the beneficiaries' presence in the group on that date.
- (11) On September 8, 2015, the Board approved the allocation of 274,200 buy options for company directors. The allocated buy options can be exercised in an amount of one-third of the buy options at the end of each year elapsed as of their issue, subject to the beneficiary's continuous presence on the Board of Directors. Buy options that are not exercised within a ten-year period shall be null and void.
- (12) On September 8, 2015, the Board approved the allocation of 1,982,300 stock options to group employees. These options may be exercised in an amount of 25% after the end of a 12-month period, and then for 6.25% each quarter, at the latest within ten years after their allocation, subject to the beneficiaries' presence in the group on that date.

4.3.12 Change in equity

<i>Amounts expressed in euros</i>	Share capital	Issue premium	Regulated reserves	Carry forward	Net income of fiscal year	Total
Balance at 12/31/2014	1,472,336	195,416,216	63,894	(118,576,227)	2,831,531	81,207,749
Exercise of buy option/start-up stock option	286,595	3,958,284	-	-	-	4,245,879
IPO	-	194,488,647	-	-	-	194,488,647
Merger proceeds	-	2,045,166	-	-	-	2,045,166
Income for the fiscal year	-	-	-	-	11,370,668	11,370,668
Earnings appropriation	-	-	-	2,831,531	(2,831,531)	0
Transfer to reserves	-	-	(5,500)	-	-	(5,500)
Balance at 12/31/2015	1,758,931	395,909,313	58,394	(115,744,696)	11,370,668	293,352,608

The expenses related to the IPO were allocated to the issue premium for €16,735 thousand.

4.3.13 Affiliated companies

Amounts expressed in euros	Amount pertaining to companies		Amount of payables or receivables represented by bills of exchange
Amounts pertaining to several balance sheet items	Affiliated	With which the company has a link by virtue of participating interest	
Uncalled subscribed capital	-	-	-
Intangible assets			
Advances and down payments	-	-	-
Property, plant and equipment			
Advances and down payments	-	-	-
Financial assets			
Equity interests	-	-	-
Other investments	-	-	-
Investment-related advances	36,376,000	-	-
Loans	-	-	-
Other long-term securities	-	-	-
Other non-current financial assets	-	-	-
Total non-current assets	36,376,000	-	-
Advances and installments paid on orders	-	-	-
Receivables			
Trade receivables and related accounts	-	-	-
Other receivables	8,350,225	-	-
Called, unpaid subscribed capital	-	-	-
Total receivables	8,350,225	-	-
Marketable securities	-	-	-
Cash at bank and in hand	-	-	-
Total marketable securities and cash at bank and in hand	-	-	-
Liabilities			
Convertible bonds	-	-	-
Other bonds	-	-	-
Bank borrowings	-	-	-
Other borrowings and financial liabilities	-	-	-
Advances and down payments on orders in progress	-	-	-
Trade payables and related accounts	-	-	-
Amounts due on noncurrent assets and related accounts	-	-	-
Other payables	-	-	-
Total liabilities	-	-	-

4.3.14 Prepaid expenses

Amounts expressed in euros	December 31, 2015	December 31, 2014
Operating expenses	3,817,568	884,967
Financial expenses	-	-
Exceptional expenses	-	-
Total	3,817,568	884,967

This increase in operating expenses can be attributed partly to the deferment of invoices, such as UMN's for €918 thousand, MD Anderson's for €440 thousand and UCL's for €251 thousand.

4.3.15 Deferred income

Amounts expressed in euros	December 31, 2015	December 31, 2014
Operating income	53,945,822	58,694,910
Financial income	-	-
Extraordinary income	-	-
Total	53,945,822	58,694,910

The deferred income comes mainly from the deferment of €53,004 thousand of one part of the up-front paid by Pfizer Laboratories and the deferment of the Servier amendment.

4.4 Notes to the income statement

4.4.1 Breakdown of revenue by geographic area

Amounts expressed in euros	2015	2014
France	25,042,456	5,723,098
Rest of the world	27,628,712	16,983,106
Total	52,671,168	22,706,204

4.4.2 Other operating income

Amounts expressed in euros	2015	2014
Miscellaneous services	121,141	910
Postage and supplies	-	-
Total	121,141	910

The other operating income stems from a payment difference following a supplier dispute.

4.4.3 Personnel expenses

Amounts expressed in euros	2015	2014
Salaries and wages	6,547,826	6,725,824
Social security and tax contributions	15,372,407	3,557,626
Total	21,920,232	10,283,450

The increase in social security contributions can be attributed to the disbursement of URSSAF (Social Security Contribution Collection Office) expenses to stock options and free shares in the amount of €12,330 thousand.

4.4.4 Research and development costs

The research and development costs written off during the fiscal year amount to €22,919 thousand.

4.4.5 Financial and non-recurring income

<i>Amounts expressed in euros</i>	December 31, 2015	December 31, 2014
Financial income		
Foreign exchange gains	7,387,893	6,147,209
Proceeds from disposal of time deposits	977,193	152,734
Interest income on partners' current accounts	700,535	511,040
Proceeds from disposal of other assigned assets		
Conversion rate adjustments		
Reversals of financial provisions	10,392	37,809,982
Other financial income	4,243	134,806
Financial expenses		
Interest on bank accounts	192,836	(1,416)
Interest on other financial liabilities		
Discounts granted	-	-
Losses on exchange	1,470,080	109,312
Conversion rate adjustment		
Allowances for financial provisions	190,163	61,729
Net financial income	7,227,177	44,586,146
Exceptional income		
Miscellaneous income from day-to-day management	11,541	-
Proceeds from disposal of assigned assets	262,420	1,699,500
Reversals on provisions and expense reclassifications	762,122	670,320
Exceptional expenses		
Exceptional expenses on day-to-day management transactions	66,264	16,167
Exceptional expenses on capital transactions	1,877,771	4,563,283
Book value of assigned assets	89,463	39,652,945
Exceptional allowances for amortizations and provisions	386,625	432,000
Net exceptional income	(1,384,040)	(42,295,025)

The foreign exchange gains increased mainly because of the appreciation of the exchange rate at December 31, 2015, affecting the interest-bearing accounts in dollars.

The reversal of financial provisions at December 31, 2015, results mainly from the impairment of the Sceil equity securities.

The proceeds from disposal of assigned assets come in part from the disposal of own shares.

The exceptional expenses on capital transactions at December 31, 2015, include the resolution of a dispute with a former director through the granting of 70,000 stock options that became fully exercisable on December 17, 2015.

The exceptional allowances for amortizations and provisions at December 31, 2015, correspond to a contingency for litigation that occurred during the fiscal year.

4.4.6 Income tax

Amounts expressed in euros	Before tax	Tax	After tax
Income from ordinary activities	7,715,954	(5,038,754) ⁽¹⁾	12,754,708
Net exceptional income	(1,384,040)	-	(1,384,040)
Total	6,331,913	(5,038,754)	11,370,668

(1) The tax debt established comes from the R&D tax credit.

The remaining deficits to be deferred at December 31, 2015, are €79,327 thousand.

4.5 Off-balance sheet commitments

The commitments made by the Company that do not appear on the balance sheet pertain to leasing agreements:

	Rents			
	Initial value	Combined	Fiscal year	Amount outstanding
Equipment leasing	1,513,392	1,077,048	257,686	178,658
Total	1,513,392	1,077,048	257,686	178,658

The leasing agreements mainly cover laboratory equipment.

- Financial support commitments to subsidiaries.
- Retirement commitments at December 31, 2015, amounting to €436,942. In assessing the retirement commitments, the company made the following assumptions:
 - an annual employee turnover rate of 3.80% for managers and 5.70% for non-managerial personnel;
 - a 4% annual salary increase;
 - a 45% rate of social insurance charges and employers' contributions;
 - a retirement age of 65 years;
 - a 2% discount rate.
- A €435,426 bank guarantee on the rents.
- The €1,602,024 rental commitment for the Company's site in Paris, under a 6-9 lease.
- The rental commitment for the Collectis Inc. site in New York is €147,601, and Collectis has committed to guaranteeing the rent payment in case of Collectis Inc.'s insolvency.

4.6 Average headcounts

During the 2015 and 2014 fiscal years, the Company's average headcounts are as follows:

	December 31, 2015	December 31, 2014
Managers	57	46
Supervisors and technicians	23	22
Laborers and employees	-	-
Total	80	68

4.7 Remuneration of management bodies

Including annual bonuses, the remuneration of the Company's management bodies during the 2015 fiscal year is €1,965 thousand.

4.8 Subsequent events

In January 2016, we announced the signature of a new agreement with CELLforCURE, a company in the LFB group, which is Europe's leading industrial infrastructure of clinical and commercial production of innovative therapies. This agreement pertains to the GMP-grade (Good Manufacturing Practice) production of clinical batches of UCART123, a possible flagship product for Cellectis. CELLforCURE will be responsible for following GMP as it implements production processes that are designed and developed by Cellectis.

4.9 Subsidiaries and equity interests

	Capital	Equity other than capital, including income	Share of capital held, %	Number of shares	Values of securities held	
					Gross value	Provisions set aside
Calyxt	1	31,053,696	100%	10,000	31,053,697	
Cellectis Inc.	1	(2,538,658)	100%	1	(2,538,658)	

	Loans and advances granted by the Company and not yet repaid	Guarantees given	Net profit (or loss) for the last fiscal year
Calyxt	32,306	108,767	(2,490,081)
Cellectis Inc.	7,848,525	147,601	