OxfordBioMedica

OXFORD BIOMEDICA PLC
INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2012

Oxford, UK – 31 August 2012: Oxford BioMedica plc ("Oxford BioMedica" or "the Company") (LSE: OXB), the leading gene-based biopharmaceutical company, today announces its unaudited interim results for the six months ended 30 June 2012. Year to date highlights include:

OPERATIONAL HIGHLIGHTS:

- **Revenue-generating ocular partnership with Sanofi progressing well**
  - Options exercised for StarGen™ and UshStat® for a total of US$3 million
  - First RetinoStat® results indicate sustained, dose-related protein expression
- **Successful MHRA inspection for specialist LentiVector® platform manufacturing facility**
  - Certification attained to perform GMP manufacturing activities in support of clinical supply
  - Support for existing programmes with potential to secure future partnerships
- **ProSavin® Phase I/II study successfully met primary endpoint: ProSavin® is safe, well-tolerated and mediates long-term improvement of motor function**
  - Non-clinical programme for product optimisation on track
- **Collective LentiVector® platform clinical data support treatment of chronic disease**
  - Over 33 patients treated to date across the ocular and Parkinson's disease programmes
  - More than 50 years' worth of patient safety data accumulated
- **Industry collaborations validate Oxford BioMedica's 5T4 tumour antigen technology**
  - 5T4-targeted diagnostic for cancer imaging demonstrates proof-of-concept with ImaginAb
  - Multiple presentations of 5T4-ADC programme by Pfizer at key industry conferences

FINANCIAL HIGHLIGHTS[1]:

- Revenue of £4.4 million (H1 2011 £5.0 million), including £1.9 million from the exercise of Sanofi options
- Research & Development costs of £6.9 million (H1 2011 £11.8 million: £8.7 million pre-exceptional, £3.1 million exceptional)
- Net loss of £4.9 million (H1 2011 £8.1 million, pre-exceptional £5.0 million)
- Net cash burn[2] of £7.8 million (H1 2011 £10.7 million)
- Net cash[3] of £6.6 million (31 December 2011: £14.3 million)

1. Unaudited results
2. Net cash generated by/used in operating activities plus sales and purchases of non-current assets
3. Cash, cash equivalents and available for sale investments

POST PERIOD END HIGHLIGHTS:

- Fundraising of £11.6 million completed in July 2012; net proceeds £10.1 million
  - Financial resources sufficient to fund operations into Q1 2014
- First patient treated in Phase II collaborative study for TroVax® in colorectal cancer
- Funding award from the Foundation Fighting Blindness for ongoing UshStat® Phase I/IIa study

John Dawson, Chief Executive Officer at Oxford BioMedica, said: *"Oxford BioMedica has continued to deliver on its objectives during 2012; reporting pipeline progress, the successful commissioning of our specialist manufacturing plant and a further endorsement from our partner, Sanofi, to support the ophthalmology portfolio.*

"Following the recent fundraising of £11.6 million, we are focused on building a financially self-sustaining company operating in high value, fast growing markets, whilst paying close attention to cost management. We look forward to reporting further progress in the second half of the year."

-Ends-

An analyst briefing will be held at 09:30am GMT on Friday, 31 August 2012 at the offices of M:Communications, 11th Floor, CityPoint, 1 Ropemaker Street, London, EC2Y 9AW. There will be a simultaneous live conference call and the presentation will be available on the Company's website at www.oxfordbiomedica.co.uk.

Please visit the website approximately 10 minutes before the conference call, at 09:20am GMT, to download the presentation slides. Conference call details:

Participant dial-in: +44 (0) 1452 555 566
Conference ID: 26160983

An audio replay file will be made available shortly afterwards via the Company's website on the "Media centre/Webcast & audio replays" section. Alternatively, you may listen to the replay by dialling the following number:

Dial-in for replay (available until 6 September 2012): +44 (0) 1452 550 000
Conference ID: 26160983

For further information, please contact:

Oxford BioMedica plc:
John Dawson, Chief Executive Officer — Tel: +44 (0)1865 783 000
Tim Watts, Chief Financial Officer
Lara Mott, Head of Corporate Communications

Singer Capital Markets Limited: — Tel: +44 (0)20 3205 7500
Shaun Dobson/Claes Spång

Media/Financial Enquiries: — Tel: +44 (0)20 7920 2360
Mary Clark/Sarah Macleod/Claire Dickinson
M:Communications

Disclaimer

This press release contains "forward-looking statements", including statements about the discovery, development and commercialisation of products. Various risks may cause Oxford BioMedica's actual results to differ materially from those expressed or implied by the forward-looking statements, including adverse results in clinical development programmes; failure to obtain patent protection for inventions; commercial limitations imposed by patents owned or controlled by third parties; dependence upon strategic alliance partners to develop and commercialise products and services; difficulties or delays in obtaining regulatory approvals and services resulting from development efforts; the requirement for substantial funding to conduct research and development and to expand commercialisation activities; and product initiatives by competitors. As a result of these factors, prospective investors are cautioned not to rely on any forward-looking statements. Oxford BioMedica disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Notes to editors

1. Oxford BioMedica

Oxford BioMedica plc (LSE: OXB) is a biopharmaceutical company developing innovative gene-based medicines and therapeutic vaccines that aim to improve the lives of patients with high unmet medical needs. The Company's technology platform includes a highly efficient LentiVector® gene delivery system, which has specific advantages for targeting diseases of the central nervous system and the eye; and a unique tumour antigen (5T4), which is an ideal target for anti-cancer therapy. Through in-house and collaborative research, Oxford BioMedica has a broad pipeline with current partners and licensees including Sanofi, Pfizer, GlaxoSmithKline, MolMed, Sigma-Aldrich, Biogen Idec, Emergent BioSolutions and ImaginAb. Further information is available at www.oxfordbiomedica.co.uk.

Overview

Since the start of 2012, Oxford BioMedica has delivered significant progress across its ophthalmology portfolio including exciting early clinical data, a US$3 million option exercise payment from Sanofi and a funding award from the US charitable organisation Foundation Fighting Blindness. The Company also attained certification to perform Good Manufacturing Practice (GMP) manufacturing activities at its specialist manufacturing facility in support of clinical supply. Furthermore, the pioneering ProSavin® Phase I/II trial successfully met its primary endpoint and the industry collaborations for the 5T4 tumour antigen platform continue to underline the potential for Oxford BioMedica's novel technologies. With strong support for the management team, as demonstrated by the recent £11.6 million fundraising, Oxford BioMedica is committed to delivering on its growth strategy.

Operational Review

LENTIVECTOR® PLATFORM DEVELOPMENT

Ocular Phase I/II programme with Sanofi: revenue-generating partnership
In collaboration with Sanofi, Oxford BioMedica is developing four LentiVector® platform products for the treatment of ocular diseases: RetinoStat® for "wet" age-related macular degeneration (AMD); StarGen™ for Stargardt disease; UshStat® for Usher syndrome type 1B; and EncorStat® for corneal graft rejection. The agreement with Sanofi, signed in April 2009, included an upfront receipt of US$26 million and up to US$24 million in development funding over the initial phase of development. Oxford BioMedica may receive future undisclosed license fees, milestone payments and royalties on product sales, the terms of which are consistent with other deals of this scope and size.

• **Options exercised for StarGen™ and UshStat® for a total of US$3 million**
In June 2012, Sanofi elected to exercise its options to acquire two exclusive worldwide licenses for further development, manufacture and commercialisation of StarGen™ and UshStat®. Oxford BioMedica received the total option exercise payment of US$3 million in July 2012 and is eligible for further development and commercialisation milestone payments and royalties on any future sales of the products. Oxford BioMedica is currently conducting the two ongoing Phase I/IIa trials for StarGen™ and UshStat®. The companies will continue to work together to plan the next stages of development and finalise the terms of the worldwide licence agreements. The option exercise strengthens Oxford BioMedica's relationship with Sanofi and indicates further support for the LentiVector® platform.

• **Presentation of clinical data at largest gathering of eye and vision researchers worldwide**
In May 2012, Oxford BioMedica presented four posters at the 2012 Annual Meeting of the Association for Research in Vision and Ophthalmology (ARVO) in Fort Lauderdale, Florida (USA). ARVO is the largest and most respected eye and vision research organisation in the world. The posters summarised the latest developments in the RetinoStat® and StarGen™ clinical studies, including the first RetinoStat® results, as well as pre-clinical data from the UshStat® and EncorStat® programmes. All four posters were well-received and generated significant interest in the Company's LentiVector® platform ophthalmology portfolio amongst key stakeholder groups.

• **First RetinoStat® results indicate sustained, dose-related protein expression**
The ongoing RetinoStat® Phase I trial will enrol 18 patients and evaluate three dose levels to assess safety and aspects of ocular physiology in patients with advanced neovascular "wet" AMD. Nine patients have been treated to date, with three patients recruited at each of three ascending dose levels. As presented at ARVO, samples from the first six patients treated have confirmed successful retinal transduction, as shown by a substantial increase in expression and secretion of endostatin and angiostatin proteins measured in the anterior chamber of the eye following a single administration of RetinoStat®. So far, expression is sustained for up to 12 months post-treatment at dose level 1 (n=3) and six months post treatment at dose level 2 (n=3); the latest available time points for the respective cohorts. In addition, preliminary data at eight weeks post-treatment indicate a clear dose response, with the 10-fold escalation to dose level 2 yielding a similar increase in average protein expression.

The RetinoStat® Phase I study is the first US clinical study to directly administer a lentiviral vector-based treatment to patients. Furthermore, Oxford BioMedica believes this is the first time that protein expression has been directly demonstrated in the eye following the administration of a gene therapy.

The sustained expression of the endostatin and angiostatin proteins underlines the LentiVector® platform technology as a means of treating chronic diseases with minimal intervention.

• **Continued support from expert Data Safety Monitoring Board**

In August 2012, Oxford BioMedica announced a positive interim review of the RetinoStat® Phase I study and the StarGen™ Phase I/IIa study by the Data Safety Monitoring Board (DSMB); an independent panel of specialists in the fields of ophthalmology, virology and vectorology. The Company received DSMB support to proceed to the final RetinoStat® patient cohort (n=9, confirmatory dose level) which is underway. The study is led by Professor Peter Campochiaro at the Wilmer Eye Institute at Johns Hopkins, Baltimore (USA) and Oxford BioMedica opened a second clinical site in August 2012 at the Oregon Health & Science University, Portland (USA) with Dr Andy Lauer as Principal Investigator. Further results from this study are expected in Q4 2012.

The DSMB also gave a positive review of the ongoing StarGen™ open label, dose escalation Phase I/IIa study. The study will enrol up to 28 patients and will evaluate three dose levels for safety, tolerability and aspects of biological activity. Eight patients have been treated to date at dose level 1; four patients with a severe level of disease and four patients with a less severe level of disease. The Company received DSMB support to proceed to third patient cohort (n=4, dose level 2). Further results from this study are expected in Q4 2012.

• **Funding award for UshStat® Phase I/IIa study from Foundation Fighting Blindness**

In July 2012, the US non-profit organisation, the Foundation Fighting Blindness, granted an award of US$125,000 to the Company via its translational research arm, the Foundation Fighting Blindness Clinical Research Institute formerly known as the National Neurovision Research Institute. The award will support the opening of a second clinical site for the ongoing UshStat® Phase I/IIa study, currently led by Professor Richard Weleber in the US at the Oregon Health & Science University's Casey Eye Institute.

Oxford BioMedica plans to open the second clinical site at Centre Hospitalier National d'Ophtalmologie des Quinze-Vingts in Paris, France with Professor José-Alain Sahel as Principal Investigator. Subject to receiving regulatory approval, the second clinical site is anticipated to open in H1 2013, from which point patients could be treated in parallel at both sites. The ongoing open label, dose escalation Phase I/IIa study will enrol up to 18 patients and will evaluate three dose levels for safety, tolerability and aspects of biological activity. Initial safety data from this study are expected in Q4 2012.

• **Over 18 patients treated with LentiVector® platform ocular gene therapies**

The long-term safety profile of Oxford BioMedica's ocular gene therapy products is encouraging and, with over 18 patients now treated in the ongoing RetinoStat®, StarGen™ and UshStat® studies, the Company now has a total of 14 patient years of safety data for its ocular clinical programmes. Oxford BioMedica works very closely with the regulatory agencies in order to define the development pathways for its novel gene therapies and, together with Sanofi, the Company continues to evaluate the optimal route for commercial development of EncorStat®.

Glaucoma-GT: collaboration with Mayo Clinic for chronic glaucoma

In October 2011, Oxford BioMedica entered into a research and development collaboration with Mayo Clinic, Rochester (USA) to develop a novel gene therapy for the treatment of chronic glaucoma. The pre-clinical programme aims to establish the feasibility of treating glaucoma using Oxford BioMedica's proprietary LentiVector® gene delivery technology expressing a COX-2 gene and a PGF-2α receptor gene to reduce intraocular pressure.

The first collaborative pre-clinical study, designed to demonstrate gene transfer using Oxford BioMedica's LentiVector® platform technology to target ocular tissues following transcorneal administration, successfully completed in March 2012. The results from this study indicate that the LentiVector® platform is well-tolerated and leads to significant expression in the target ocular tissues using this route of administration. Follow-on activities are underway to evaluate the optimal dose for the planned efficacy pre-clinical study which will evaluate the lowering of intraocular pressure following administration of Glaucoma-GT. Further results from this pre-clinical programme are expected in Q1 2013.

Additional ocular opportunities
Given the success to date of the ophthalmology development portfolio, Oxford BioMedica continues to explore new opportunities to which it can apply its unique LentiVector® platform technology, such as other genetic diseases of the retina or uveitis, for example. Uveitis is a sight-threatening inflammatory disorder. Non-infectious uveitis can be due to an underlying inflammatory condition, an autoimmune disorder, a result of eye trauma or in some cases the cause is uncertain. Current treatment involves an aggressive anti-inflammatory regime which can cause severe side-effects including diabetes, hypertension, osteoporosis and weight gain. Oxford BioMedica believes that a long-term, stable treatment is required and, based on various pre-clinical publications, that the LentiVector® platform technology could be a promising match for a disease such as uveitis.

ProSavin®: gene-based therapy for Parkinson's disease (PD)
In April 2012, Oxford BioMedica announced that a Phase I/II study to assess the safety, efficacy and dose evaluation of ProSavin® in patients with mid- to late-stage Parkinson's disease (PD) who are experiencing reduced benefit on L-DOPA "equivalent" therapy successfully met its primary endpoint. The study evaluated three ascending dose levels of ProSavin® (1x, 2x and 5x) in a total of 15 patients with PD. The primary endpoint was safety and efficacy as measured by improvements in motor function at six months.

• **ProSavin® is safe, well-tolerated and mediates long-term improvement of motor function**
ProSavin® has demonstrated a long-term safety profile, now over five years post-treatment for the first patient treated with a 1x dose, and the Company now has a total of approximately 38 patient years of safety data for the ProSavin® clinical programme. All 15 patients treated demonstrated an improvement in motor function at the six-month efficacy endpoint relative to baseline. In addition, all six patients who received the highest (5x) dose have now completed follow-up assessments 12 months post-treatment where ProSavin® continues to mediate improvements in motor function.

• **Non-clinical programme for product optimisation on track**
Oxford BioMedica is currently evaluating a more potent formulation to ensure the greatest chance of success in future randomised studies and to increase the commercial opportunity by offering extended patent protection and a relative reduction in cost of goods. The Company initiated a non-clinical programme in H1 2012 to evaluate the efficacious dose range of the enhanced product construct using the gold standard MPTP model of Parkinson's disease. The non-clinical programme will evaluate improvements in motor function, in addition to Positron Emission Tomography (PET) data to assess dopaminergic activity. Progress is on track and Oxford BioMedica expects early data to start to emerge from Q4 2012 onwards which the Company will share with potential partners. The full non-clinical programme is expected to complete in Q3 2013.

LENTIVECTOR® PLATFORM MANUFACTURING

In June 2012, Oxford BioMedica announced that it had received approval from the UK Medicines and Healthcare products Regulatory Agency (MHRA) to manufacture bulk drug material for Investigational Medicinal Products (IMPs) at the Company's specialist manufacturing facility in Cowley, Oxford. This represents an extension of Oxford BioMedica's existing Good Manufacturing Practice (GMP) certification which covers the established in-house activities for testing and subsequent release of IMPs for clinical development. Having attained GMP certification, the manufacturing plant is now fully-operational and authorised to perform GMP manufacturing activities in support of clinical supply.

Oxford BioMedica is a world leader in the development of lentiviral vector-based products and the successful commissioning of its proprietary manufacturing facility marks a landmark achievement for the Company.

• **Support for existing programmes with potential to secure future partnerships and alliances**
The investment in the Company's specialist manufacturing processes will address one of the main hurdles associated with the rapid progression of products through Phase II, Phase III and to market. Importantly, it also provides the opportunity for Oxford BioMedica to become the LentiVector® platform supplier of choice for its current and future partners. The Company's manufacturing and quality teams are complemented by the Manufacturing Sciences and Technology (MSAT) team, whose operational and technical experience covers all aspects of manufacturing and brings together expertise in process development, process improvement and optimisation, technology transfer and process monitoring and troubleshooting. Oxford BioMedica therefore has the necessary capabilities and core competencies to develop and support current and future production activities.

5T4 TUMOUR ANTIGEN PLATFORM

TroVax® (MVA-5T4): therapeutic cancer vaccine
Few immunotherapy treatments have demonstrated a direct link between the predicted mode of action and clinical benefit. TroVax® stands apart as a cancer vaccine that elicits a strong and readily definable immune response. Oxford BioMedica has identified an algorithm biomarker for predicting the quantitative 5T4 antibody response induced by TroVax® in order to identify those patients who are most likely to mount a strong 5T4 antibody response subsequent to TroVax® administration.

In June 2012, further biomarker analyses derived from statistical modelling of the TroVax® Renal Immunotherapy Survival Trial ("TRIST") data set, a randomised, double-blind, placebo-controlled Phase III study, were accepted for publication in *Cancer Immunology, Immunotherapy*, the official journal of the Association for Cancer Immunotherapy. The publication, entitled "Analysis of pre-treatment markers predictive of treatment benefit for the therapeutic cancer vaccine MVA-5T4 (TroVax)" can be accessed at www.ncbi.nlm.nih.gov/pubmed/22692758.

• **First patient treated in sponsored Phase II study for in colorectal cancer**
In July 2012, Oxford BioMedica's partners at Cardiff University, Wales (UK) initiated a Phase II trial to assess the safety and immunological activity of TroVax® in patients with inoperable metastatic colorectal cancer. Expenditure on TroVax® is closely monitored and management continues to explore collaborations through clinical networks in order to generate further data to leverage the value of the product. The Company expects two further sponsored Phase II studies in mesothelioma and ovarian cancer to be initiated in the UK by academic collaborators in H2 2012.

Oxford BioMedica is also evaluating TroVax® in a randomised, open-label Phase II study in patients with metastatic hormone refractory prostate cancer. Preliminary data from patients treated to date are expected in Q4 2012. However, as previously announced, competition for suitable patients in the US is high and the Company continues to monitor the progress of this study.

5T4-targeted antibody therapy for cancer: partnered with Pfizer
Pfizer's continued commitment to the 5T4-ADC programme, as demonstrated by presentations at key industry conferences during 2012, is encouraging. In particular, in April 2012, Pfizer presented data at the American Association for Cancer Research which demonstrated that the 5T4 antibody drug conjugate (ADC) exhibited potent anti-tumour activity and induced long-term regressions in several pre-clinical models. In May 2012, Pfizer also presented data at the Protein Engineering Summit which built on previously published results and demonstrated that treatment with the anti-5T4 ADC decreased the frequency of tumour initiating cells in a pre-clinical tumour model.

The potential value of Oxford BioMedica's collaboration with Pfizer is up to US$28 million, which comprises upfront payments, license option fees and milestone payments that are subject to the achievement of certain project objectives. The next milestone payment to Oxford BioMedica would be due if Pfizer initiates clinical trials for the development of a 5T4-targeted antibody therapy.

5T4-targeted diagnostic for cancer imaging: research collaboration with ImaginAb
Oxford BioMedica is working with ImaginAb to engineer an *in vivo* diagnostic imaging agent using an antibody fragment targeting the 5T4 tumour antigen. A pre-clinical study using positron emission tomography (PET), a nuclear medicine imaging technique that produces a three-dimensional image of functional processes in the body, began in H1 2012 and has successfully demonstrated proof-of-concept. The companies are working together to define the next steps for the development of a 5T4-based imaging diagnostic which will initially be applied to ovarian cancer imaging. Should ImaginAb opt to negotiate an exclusive license for commercialisation of an *in vivo* 5T4-based imaging diagnostic, Oxford BioMedica could receive proceeds of up to US$4 million in initiation and development milestone payments, in addition to royalties on product sales, subject to the achievement of certain programme objectives.

OxfordBioMedica

Financial Review

During the first six months of 2012 the Company's operations have been focussed on continuing the clinical and pre-clinical studies relating to the LentiVector® platform products, in particular the ophthalmology products, and successfully completing the commissioning, and gaining approval, of the manufacturing site to manufacture bulk drug material for IMPs.

The net loss for the six months ended 30 June 2012 was £4.9 million (H1 2011 £8.1 million), with a cash burn of £7.8 million (H1 2011 £10.7 million). At 30 June 2012, the Company had cash, cash equivalents and financial assets available for sale totalling £6.6 million. On 26 July 2012, the Company issued 463,362,652 new ordinary shares of 1p each by way of a firm placing and open offer at a price of 2.5p each. After expenses, net proceeds were £10.1 million.

Income statement
Revenue in the first half of 2012 was £4.4 million (H1 2011 £5.0 million). £4.3 million (H1 2011 £4.6 million) came from the ocular collaboration with Sanofi: comprising £1.9 million for the options exercised by Sanofi in June 2012 for StarGen™ and UshStat®; £2.0 million (H1 2011 £2.3 million) recognition of deferred revenue from the 2009 upfront receipt; and £0.4 million (H1 2011 £2.3 million) in respect of Research and Development (R&D) expenditure reimbursement. The lower level of R&D expenditure reimbursement compared with the first six months of 2011 is due to a reduction in R&D expenditure incurred on the relevant products in 2012 and a small extension to the period over which the deferred revenue is recognised.

Cost of sales of £0.5 million (H1 2011 £0.3 million) represents the recognition of royalties payable to third parties on upfront and milestone receipts.

R&D costs were £6.9 million (H1 2011 £8.7 million pre-exceptional, £3.1 million exceptional). This figure represents a £1.8 million reduction in pre-exceptional R&D costs, principally due to lower costs on ProSavin® and the Sanofi ocular programmes. For the Sanofi programmes, both the pre-clinical costs and costs of manufacturing clinical trial material have now largely been replaced by lower ongoing clinical study costs.

The exceptional R&D cost in 2011 was an impairment charge due to writing off the Hi8® MEL intangible asset at the conclusion of an unsuccessful divestment process.

Administrative expenses were £2.8m (H1 2011 £2.0m). Costs in the first six months of 2012 included redundancy payments and the closure of the US office. Administrative expenses also include £0.4 million fees for a confidential corporate project which took place in H1 2012. Whilst this particular transaction did not complete, Oxford BioMedica continues to explore opportunities for strategic product acquisition and/or corporate M&A which would accelerate profitability and support the Company's growth strategy.

Finance income of £0.1 million (H1 2011 £0.1 million) is interest received on bank deposits.

The net tax credit of £0.8 million (H1 2011 £0.9 million) represents amounts recoverable under current legislation for UK R&D tax credits.

The net loss for the first half of 2012 was £4.9 million (2011 £5.0 million pre-exceptional, £8.1m total).

Balance sheet
Intangible assets declined by £0.1 million to £3.0 million in the six months to 30 June 2012 due to amortisation. Property, plant and equipment at £4.2 million also declined slightly with additions of £0.2 million, mainly laboratory equipment in the manufacturing facility, being offset by depreciation of a similar amount.

Current assets at 30 June 2012 were £14.1 million, a decline of £4.7 million from 31 December 2011:

- Financial assets available for sale, cash and cash equivalents were £7.7 million lower than at 31 December 2011 due to cash burn in the first 6 months of 2012;
- Trade and other receivables of £5.1 million were £2.3 million higher than at 31 December 2011. £1.9 million of the trade and other receivable balance represents the $3.0 million receivable from Sanofi following the exercise of the options over StarGen™ and UshStat®. This amount was received in July 2012;

- £0.9 million of costs relating to the recent fundraising have been accrued in current liabilities but have also been treated as prepayments as they will be charged against the share premium reserve in the next accounting period;
- Current tax assets are £0.8 million higher due to the accrual of R&D tax credit for H1 2012;
- Other tax receivable (VAT) is £0.6 million lower than at December 2011 which included an abnormally large VAT receivable which was received in January 2012.

Current liabilities at 30 June 2012 were £7.5 million (31 December 2011 £7.7 million). The trade and other payables balance of £4.4 million includes £0.3 million payable in respect of royalties arising following the exercise of the StarGen™ and UshStat® options by Sanofi, and £0.9 million of accrued expenses relating to the fundraising which concluded in July 2012.

Deferred income (partly current, partly non-current) is primarily cash already received from Sanofi which is being recognised over the life of the agreement with Sanofi. In April 2009, the Group entered into a collaborative programme with Sanofi to develop four gene therapy products to treat ocular diseases. An initial non-refundable payment of US$26.0 million (£16.6 million) was received from Sanofi. This is being recognised as revenue on a straight line basis over the expected duration of the initial stage of the collaboration for each of the four products. Revenue to date of £14.4 million has been recognised in respect of this receipt. The remaining £2.2 million is classified as deferred income. £2.1 million is classified as current, £0.1 million non-current.

In addition, over the term of the ocular gene therapy collaboration, Oxford BioMedica may recover up to US$24.0 million in R&D funding from Sanofi. To date, £11.8 million has been recognised as revenue of which £0.4 million was recognised in the first six months of 2012. £1.1 million has been classified as deferred income.

Non-current liabilities include a dilapidations provision relating to the anticipated costs of restoring the leasehold property in Oxford, UK, to its original condition at the end of the present leases in 2016.

At 30 June 2012 the Group had net assets of £13.0 million (31 December 2011 £17.8 million).

Cash flow
Cash, cash equivalents and available for sale investments declined by £7.7 million in the first half of 2012. The cash outflow from operating activities was £7.5 million (H1 2011 £8.3 million). Cash outflow for the purchase of property, plant and equipment was £0.3 million (H1 2011 £2.4 million). Combining operating activities and capital expenditure, the cash burn in H1 2012 was £7.8 million (H1 2011 £10.7 million).

Financial outlook
Oxford BioMedica continues to invest in its key ophthalmology products in its development pipeline, and in developing its manufacturing capability and processes. Based on current operating forecasts, the Group has sufficient resources to fund these activities into 2014. However, as outlined in the recent fundraising prospectus published on 6 July 2012, there are several potential cash-generating opportunities which could extend the funding window.

Principal risks and uncertainties

The principal risks and uncertainties facing the Company are those set out in the 2011 Annual Report & Accounts and the July 2012 prospectus. Copies of both documents are available on the Group's website at www.oxfordbiomedica.co.uk. The risks and uncertainties relate to: intellectual property and patent protection risk; pre-clinical and clinical development; safety and regulatory risk; collaboration and third-party risk; pharmaceutical pricing and government risk; competition regulation and risk; financial risk; staff risk; manufacturing risk; and gene therapy risk. The principal risks and uncertainties remain the same for the second six months of the year.

Related parties

Related party disclosures are given in note 15.

Going concern

As at the 30 June 2012 the Group had £6.6 million of cash, cash equivalents and financial assets.

After making enquiries and taking into account the net proceeds of the fund raise described above, the Directors consider that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly they have adopted the going concern basis in preparing the financial statements.

OxfordBioMedica

Consolidated Statement of Comprehensive Income

for the six months ended 30 June 2012

	Notes	**Six months ended 30 June 2012**	Six months ended 30 June 2011		
			Pre-exceptional	Exceptional items	Total
		£'000	£'000	£'000	£'000
Revenue		**4,438**	4,954	-	4,954
Cost of sales		**(495)**	(293)	-	(293)
Gross profit		**3,943**	4,661	-	4,661
R&D costs		**(6,929)**	(8,696)	(3,136)	(11,832)
Administrative expenses		**(2,805)**	(1,952)	-	(1,952)
Other operating income: grants receivable		**9**	43	-	43
Operating loss		**(5,782)**	(5,944)	(3,136)	(9,080)
Finance income		**77**	87	-	87
Finance costs		**-**	(5)	-	(5)
Loss before tax		**(5,705)**	(5,862)	(3,136)	(8,998)
Taxation		**757**	871	-	871
Loss for the period		**(4,948)**	(4,991)	(3,136)	(8,127)
Other comprehensive income					
Exchange adjustments		**(6)**	(11)	-	(11)
Total recognised comprehensive expense for the period attributable to owners of the parent		**(4,954)**	(5,002)	(3,136)	(8,138)
Basic loss and diluted loss per ordinary share	6	**(0.52p)**			(0.88p)

The notes on pages 14 to 20 form part of this financial information.

OxfordBioMedica

Consolidated Balance Sheet

as at 30 June 2012

	Notes	**30 June 2012 £'000**	31 December 2011 £'000
Assets			
Non-current assets			
Intangible assets		**2,962**	3,106
Property, plant and equipment	7	**4,168**	4,213
		7,130	7,319
Current assets			
Trade and other receivables	8	**5,054**	2,800
Current tax assets		**2,427**	1,641
Financial assets: Available for sale investments	9	**5,000**	7,500
Cash and cash equivalents	9	**1,623**	6,835
		14,104	18,776
Current liabilities			
Trade and other payables	10	**4,385**	3,226
Deferred income	11	**3,114**	4,386
Current tax liabilities		**28**	-
Provisions	12	**-**	41
		7,527	7,653
Net current assets		**6,577**	11,123
Non-current liabilities			
Deferred income	11	**231**	170
Provisions	12	**505**	501
		736	671
Net assets		**12,971**	17,771
Shareholders' equity			
Share capital	13	**9,449**	9,449
Share premium		**124,755**	124,755
Merger reserve		**14,310**	14,310
Other reserves		**(688)**	(682)
Retained losses		**(134,855)**	(130,061)
Total equity		**12,971**	17,771

The notes on pages 14 to 20 form part of this financial information.

OxfordBioMedica

Consolidated Statement of Cash Flows

for the six months ended 30 June 2012

	Notes	Six months ended 30 June 2012 £'000	Six months ended 30 June 2011 £'000
Cash flows from operating activities			
Cash used in operations	14	(7,522)	(8,253)
Overseas tax paid		-	(38)
Net cash used in operating activities		(7,522)	(8,291)
Cash flows from investing activities			
Purchases of property, plant and equipment		(261)	(2,386)
Net maturity of available for sale investments		2,500	5,603
Net cash generated by investing activities		2,239	3,217
Cash flows from financing activities			
Interest received		77	63
Proceeds from issue of ordinary share capital		-	20,000
Net payment of costs of share issues		-	(1,430)
Net cash generated by financing activities		77	18,633
Net (decrease)/increase in cash and cash equivalents		(5,206)	13,559
Cash and cash equivalents at 1 January		6,835	6,653
Effects of exchange rate changes		(6)	(16)
Cash and cash equivalents at period end	9	1,623	20,196

The notes on pages 14 to 20 form part of this financial information.

OxfordBioMedica

Statement of Changes in Equity Attributable to Owners of the Parent

for the six months ended 30 June 2012

	Share capital £'000	Share premium £'000	Merger reserve £'000	Translation reserve £'000	Losses £'000	Total £'000
At 1 January 2011	**5,449**	**110,387**	**14,310**	**(680)**	**(117,861)**	**11,605**
Six months ended 30 June 2011:						
Exchange adjustments	-	-	-	(11)	-	(11)
Loss for the period	-	-	-	-	(8,127)	(8,127)
Total comprehensive expense for the period	-	-	-	(11)	(8,127)	(8,138)
Transactions with owners:						
Share options						
Value of employee services	-	-	-	-	225	225
Issue of shares	4,000	16,000	-	-	-	20,000
Costs of share issue	-	(1,632)	-	-	-	(1,632)
At 30 June 2011	**9,449**	**124,755**	**14,310**	**(691)**	**(125,763)**	**22,060**
Six months ended 31 December 2011:						
Exchange adjustments	-	-	-	9	-	9
Loss for the period	-	-	-	-	(4,504)	(4,504)
Total comprehensive expense for the period	-	-	-	9	(4,504)	(4,495)
Transactions with owners:						
Share options						
Value of employee services	-	-	-	-	206	206
At 31 December 2011	**9,449**	**124,755**	**14,310**	**(682)**	**(130,061)**	**17,771**
Six months ended 30 June 2012:						
Exchange adjustments	-	-	-	(6)	-	(6)
Loss for the period	-	-	-	-	(4,948)	(4,948)
Total comprehensive expense for the period	-	-	-	(6)	(4,948)	(4,954)
Transactions with owners:						
Share options						
Value of employee services	-	-	-	-	154	154
At 30 June 2012	**9,449**	**124,755**	**14,310**	**(688)**	**(134,855)**	**12,971**

The notes on pages 14 to 20 form part of this financial information.

Notes to the Financial Information

1. General information and basis of preparation

These condensed consolidated interim financial statements for the six months ended 30 June 2012 have been prepared in accordance with the Disclosure and Transparency Rules of the Financial Services Authority and with IAS 34 *Interim Financial Reporting* as adopted by the European Union. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2011.

These condensed consolidated interim financial statements do not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2011 were approved by the Board of Directors on 5 March 2012 and have been delivered to the Registrar of Companies. The report of the Auditors on the 2011 accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006.

These condensed consolidated interim financial statements were approved by the Board of Directors on 30 August 2012. They have not been audited.

The Company is a public limited company incorporated and domiciled in the UK. The Company is listed on the London Stock Exchange.

2. Post-balance sheet event

On 26 July 2012, the Company completed the raising of £11.6 million gross proceeds by way of a share issue. 440,000,000 new ordinary shares of 1p each were issued through a firm placing at a price of 2.5p each, and 23,362,652 new ordinary shares of 1p each were issued through an open offer at a price of 2.5p each. After expenses, net proceeds are expected to be £10.1 million.

3. Going concern

Oxford BioMedica is a R&D business with no currently marketed products. As at 30 June 2012 the Group had £6.6 million of cash, cash equivalents and financial assets.

After making enquiries and taking into account the net proceeds of the fund raise described in Note 2, the Directors consider that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly they have adopted the going concern basis in preparing the financial statements.

4. Accounting policies

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2011, as described in those annual financial statements.

Accounting developments
The following amendments to existing standards became effective during the current period. They are, with the exception of the amendment to IFRS 7, subject to endorsement by the European Union.

- IFRS 1 (Amended), “First-time Adoption of International Financial Reporting Standards”;
- IFRS 7 (Amended), “Financial instruments: Disclosures”;
- IAS 12 (Amended), “Income taxes”.

The amendment to IFRS 7 relating to the transfer of financial assets is not relevant to the Group. The amendment to IFRS 1 is not relevant to the Group as it is not a first time adopter. The amendment to IAS 12 will be adopted once endorsed by the European Union but is not expected to have a significant impact on future financial statements.

The following new standards, amendments to existing standards and new interpretations have been published and are mandatory for the Group's future accounting periods. They are, with the exception of the amendments to IAS 1 and IAS 19, subject to endorsement by the European Union. They have not been early adopted in the condensed consolidated financial statements and are not expected to have a significant impact on future financial statements when they are adopted:

Effective for annual periods beginning on or after 1 July 2012:

- IAS 1 (Amended), "Presentation of Financial Statements".

Effective for annual periods beginning on or after 1 January 2013:

- IFRS 10, "Consolidated financial statements";
- IFRS 11, "Joint arrangements";
- IFRS 12, "Disclosures of interests in other entities";
- IFRS 13, "Fair value measurement";
- IAS 19 (revised 2011), "Employee benefits";
- IAS 27 (revised 2011), "Separate financial statements";
- IAS 28 (revised 2011), "Associates and joint ventures";
- IFRIC 20, "Stripping costs in the production phase of a surface mine";

Effective for annual periods beginning on or after 1 January 2015:

- IFRS 9, "Financial instruments".

Use of estimates and assumptions
The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2011.

Seasonality
The Group's operations are not subject to seasonal fluctuations.

5. Segmental analysis

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, responsible for allocating resources and assessing performance of the operating segments, has been identified as the Senior Management Group. The Group has one single business segment based upon its proprietary technology.

6. Basic loss and diluted loss per ordinary share

The basic loss per share has been calculated by dividing the loss for the period by the weighted average number of shares of 944,875,557 in issue during the six months ended 30 June 2012 (six months ended 30 June 2011: 919,765,747).

As the Group is loss-making, there were no potentially-dilutive ordinary shares in either period which would serve to increase the loss per ordinary share. There is therefore no difference between the loss per ordinary share and the diluted loss per ordinary share.

OxfordBioMedica

7. Property, plant & equipment

	Freehold property £'000	Short leasehold improvements £'000	Office equipment and computers £'000	Laboratory equipment £'000	Total £'000
Cost					
At 1 January 2011	-	2,966	441	2,913	6,320
Exchange adjustments	-	(12)	(1)	-	(13)
Additions at cost	2,311	14	118	124	2,567
At 30 June 2011	2,311	2,968	558	3,037	8,874
Depreciation					
At 1 January 2011	-	2,716	351	2,673	5,740
Exchange adjustments	-	(12)	(1)	-	(13)
Charge for the period	3	64	38	50	155
At 30 June 2011	3	2,768	388	2,723	5,882
Net book amount at 30 June 2011	**2,308**	**200**	**170**	**314**	**2,992**
Cost					
At 30 June 2011	**2,311**	**2,968**	**558**	**3,037**	**8,874**
Exchange adjustments	-	13	1	-	14
Additions at cost	804	30	96	472	1,402
Disposals	-	-	(49)	(193)	(242)
At 31 December 2011	3,115	3,011	606	3,316	10,048
Depreciation					
At 30 June 2011	3	2,768	388	2,723	5,882
Exchange adjustments	-	13	1	-	14
Charge for the period	42	29	48	62	181
Disposals	-	-	(49)	(193)	(242)
At 31 December 2011	45	2,810	388	2,592	5,835
Net book amount at 31 December 2011	**3,070**	**201**	**218**	**724**	**4,213**
Cost					
At 1 January 2012	3,115	3,011	606	3,316	10,048
Additions at cost	15	9	15	222	261
Disposals	-	(403)	(14)	-	(417)
At 30 June 2012	3,130	2,617	607	3,538	9,892
Depreciation					
At 1 January 2012	45	2,810	388	2,592	5,835
Charge for the period	106	32	55	113	306
Disposals	-	(403)	(14)	-	(417)
At 30 June 2012	151	2,439	429	2,705	5,724
Net book amount at 30 June 2012	**2,979**	**178**	**178**	**833**	**4,168**

On 25 February 2011 the Group purchased a freehold property in Oxford, UK comprising a manufacturing facility and associated offices and laboratories. In June 2012 the facility received approval from the UK MHRA to manufacture bulk drug material for IMPs.

8. Trade and other receivables

	30 June 2012 £'000	31 December 2011 £'000
Amounts falling due within one year		
Trade receivables	**2,116**	154
Accrued income	**802**	33
Other receivables	**105**	256
Other tax receivable	**248**	858
Prepaid costs of share issues	**916**	-
Prepaid clinical trial expenses	**61**	493
Other prepayments	**806**	1,006
Total trade and other receivables	**5,054**	2,800

9. Cash and cash equivalents

	30 June 2012 £'000	31 December 2011 £'000
Cash at bank and in hand	**1,623**	6,835
Total cash and cash equivalents	**1,623**	6,835

In addition to the cash and cash equivalents described above, the Group held bank deposits of £5.0 million at June 2012 and £7.5 million at December 2011 with an initial term to maturity between three and twelve months, classified as available for sale investments.

10. Trade and other payables - current

	30 June 2012 £'000	31 December 2011 £'000
Trade payables	**558**	1,200
Other taxation and social security	**146**	161
Accrued share issue costs	**916**	-
Other accruals	**2,765**	1,865
Total trade and other payables	**4,385**	3,226

11. Deferred income

	30 June 2012 £'000	31 December 2011 £'000
Current	**3,114**	4,386
Non-current	**231**	170
Total deferred income	**3,345**	4,556

In April 2009 the Group entered into a collaborative programme with Sanofi to develop four gene therapy products to treat ocular diseases. An initial non-refundable payment of US$26.0 million (£16.6 million) was received from Sanofi. This is being recognised as revenue on a straight line basis over the expected duration of the initial stage of the collaboration for each of the four products. Revenue to date of £14.4 million has been recognised in respect of this receipt. The remaining £2.2 million (31 December 2011 £4.2 million) is classified as deferred income. £2.1 million is expected to be recognised as income in the next 12 months and is classified as current; the remaining £0.1 million is classified as non-current.

Over the term of the ocular gene therapy collaboration, Oxford BioMedica may recover up to US$24.0 million in R&D funding from Sanofi. Project costs in excess of US$24.0 million will be borne by Oxford BioMedica. To date, £11.8 million has been recognised as revenue of which £0.4 million was recognised in the first six months of 2012. £1.1 million (31 December 2011 £0.4 million) has been classified as deferred income.

12. Provisions

	Dilapidations £'000	Onerous lease £'000	Total £'000
At 1 January 2011	457	124	581
Exchange adjustments	-	(4)	(4)
Utilised in the period	-	(40)	(40)
Unwinding of discount	5	-	5
Change of discount rate – adjustment to recognised fixed asset	8	-	8
At 30 June 2011	470	80	550
Exchange adjustments	-	2	2
Utilised in the period	-	(42)	(42)
Unwinding of discount	2	1	3
Change of discount rate – adjustment to recognised fixed asset	29	-	29
At 31 December 2011	501	41	542
Utilised in the period	-	(41)	(41)
Unwinding of discount	4	-	4
At 30 June 2012	**505**	**-**	**505**

	30 June 2012 £'000	31 December 2011 £'000
Current	**-**	41
Non-current	**505**	501
Total provisions	**505**	542

The dilapidations provision relates to anticipated costs of restoring the leasehold property in Oxford, UK to its original condition at the end of the present leases in 2016, discounted using the rate per the Bank of England nominal yield curve. The provision will be utilised at the end of the leases if they are not renewed.

The onerous lease provision related to the estimated rental shortfall in respect of a redundant property in San Diego, USA which had been sub-let for the remainder of the lease term until June 2012. The lease has now been terminated.

13. Share capital

In January 2011 the Company issued 400,000,000 new ordinary shares of 1p each in a placing and open offer at 5p per share, raising £20.0 million before expenses. Costs of the share issue were £1.6 million and have been charged to the share premium account.

At 31 December 2011 and 30 June 2012 the Company had issued share capital of 944,875,557 ordinary 1p shares.

On 26 July 2012, the Company issued 463,362,652 new ordinary shares of 1p each by way of a firm placing and open offer at a price of 2.5p each. After expenses, net proceeds are expected to be £10.1 million.

14. Cash flows from operating activities

Reconciliation of loss before tax to net cash used in operations

	Six months ended 30 June 2012 £'000	Six months ended 30 June 2011 £'000
Continuing operations		
Loss before tax	**(5,705)**	(8,998)
Adjustment for:		
Depreciation	**306**	155
Amortisation of intangible assets	**144**	282
Impairment charge	**-**	3,136
Finance income	**(77)**	(87)
Finance expense	**-**	5
Charge in relation to employee share schemes	**154**	225
Changes in working capital:		
(Increase) in trade and other receivables	**(2,255)**	(806)
Increase in trade and other payables	**1,159**	523
Decrease in deferred income	**(1,211)**	(2,648)
Decrease in provisions	**(37)**	(40)
Net cash used in operating activities	**(7,522)**	(8,253)

15. Related party transactions

Identity of related parties

The Group consists of a parent, Oxford BioMedica plc, two wholly-owned trading subsidiaries and one dormant subsidiary (Oxxon Therapeutics Limited). The principal trading company is Oxford BioMedica (UK) Limited. The second trading subsidiary BioMedica Inc. provides services in the USA to Oxford BioMedica (UK) Limited under a transfer pricing agreement.

There have been no related party transactions outside the Group during the six months to 30 June 2012.

16. Statement of Directors' responsibilities

The Directors of Oxford BioMedica plc are set out on page 20 of this report.

The condensed consolidated interim financial statements are the responsibility of, and have been prepared by, the Directors. The Directors confirm that they have been prepared in accordance with the Disclosure and Transparency Rules of the Financial Services Authority and with IAS 34 'Interim financial reporting' as adopted by the European Union and that the interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- An indication of important events that have occurred during the first six months and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- Material related party transactions in the first six months and any material change in related-party transactions described in the last annual report.

By order of the Board

John Dawson
Chief Executive Officer
30 August 2012

OxfordBioMedica

Shareholder Information

Directors Nick Rodgers (Non-executive Chairman) John Dawson (Chief Executive Officer) Tim Watts (Chief Financial Officer and Company Secretary) Dr Stuart Naylor (Chief Scientific Officer) Peter Nolan (Executive Director and Senior Vice President, Commercial Development) Dr Andrew Heath (Deputy Chairman and Senior Independent Director) Dr Paul Blake (Non-executive director)	**Financial Adviser and Broker** Singer Capital Markets One Hanover Street London W1S 1YZ **Registrars** Capita Registrars The Registry 34 Beckenham Road Beckenham Kent BR3 4TU **Financial and Corporate Communications** M:Communications 11th Floor, CityPoint One Ropemaker Street London EC2Y 9AW **Independent Auditors** PricewaterhouseCoopers LLP 9 Greyfriars Road Reading RG1 1JG **Solicitors** Covington & Burling LLP 265 Strand London WC2R 1BH
Registered Office Oxford BioMedica plc Medawar Centre Robert Robinson Avenue The Oxford Science Park Oxford OX4 4GA United Kingdom Tel: +44 (0) 1865 783 000 Fax:+44 (0) 1865 783 001 enquiries@oxfordbiomedica.co.uk www.oxfordbiomedica.co.uk	