PRESS RELEASE

NicOx reports first quarter 2012 financial results

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NicOx S.A. (NYSE Euronext Paris: COX) today reports financial results for the first three months of 2012 and provides an overview of its activities.

"*NicOx made good progress during the first quarter of 2012, which was marked by the Company's first step towards building an international ophthalmology company and by Bausch + Lomb's decision to progress BOL-303259-X into phase 3, which supports the potential of our R&D platform in ophthalmology,*" said **Michele Garufi, Chairman and CEO of NicOx.** "*If we decide to exercise the option to acquire Altacor, NicOx would benefit from an experienced sales infrastructure in the UK with a range of marketed products and from ALT-005 and SOLO potential to drive future international growth. We are in advanced discussions with a number of parties to secure additional acquisition and in-licensing deals to build a diversified, late-stage ophthalmic portfolio with a clear route to commercialisation in the major markets.*"

Eric Castaldi, Chief Financial Officer of NicOx, commented: *"The $10 million milestone payment from Bausch + Lomb led to a significant increase in our revenues for the first quarter of 2012. We will continue to carefully monitor our expenses and ensure the best strategic use of our cash as we transform NicOx into an ophthalmology company.*"

Key highlights for the first quarter of 2012

NicOx building an international late-stage development and commercial Ophthalmology Company

The Company believes there are a number of opportunities in the growing ophthalmology market to create a mid-sized, international specialist pharmaceutical company. NicOx's goal is to build a diversified late-stage ophthalmology portfolio with a clear route to market, based around therapeutics, diagnostics and devices. To this aim, a number of opportunities are currently under discussion and could lead to additional acquisitions or in-licensing.

Initial investment in Altacor with option to acquire the whole Company

In March 2012, NicOx acquired 11.8% of the shares of Altacor, a privately-held ophthalmology company based in the United Kingdom. Altacor markets Clinitas™, a range of five products for dry eye, in the UK and Ireland. Altacor also has two promising late-stage candidates, ALT-005 and SOLO. NicOx has an exclusive option to acquire the remaining shares of Altacor which may be exercised up until May 31, 2012.

Bausch + Lomb to move into phase 3 following positive phase 2b results

The phase 2b study conducted by Bausch + Lomb with BOL-303259-X (NCX 116) in patients with open-angle glaucoma or ocular hypertension met its primary endpoint and showed promising results on a number of secondary endpoints. Bausch + Lomb will initiate a global phase 3 development program for BOL-303259-X and paid a $10 million milestone payment to NicOx (€7.5 million) in April 2012. BOL-303259-X is a novel nitric oxide-donating prostaglandin F2 alpha analog licensed by NicOx to Bausch + Lomb in March 2010.

Appointment of Jerry St. Peter as Executive Vice President and General Manager of NicOx Inc., the U.S. subsidiary of NicOx

In close collaboration with NicOx's European headquarters, Jerry St. Peter is responsible for identifying and evaluating opportunities in North America that can be exploited globally, as part of the Company's strategy to build a late-stage ophthalmic portfolio. Mr. St. Peter will also lead the development of NicOx's U.S. ophthalmology business.

Post-first quarter events 2012

Appointment of Philippe Masquida as Executive Vice President, Managing Director of European Operations

Mr. Masquida will lead NicOx's operations in Europe and will manage the Company's European subsidiaries in ophthalmology. He is also responsible, in coordination with the other members of the executive team of NicOx, for identifying and evaluating commercial opportunities in Europe.

Meeting with the United States Food and Drug Administration (FDA) on April 3, 2012

NicOx met the FDA to discuss the proposed use of naproxcinod 375 mg twice daily (*bid*), for the treatment of signs and symptoms of osteoarthritis of the knee, under a proposed New Drug Application (NDA) that would require additional clinical data prior to any such NDA submission. NicOx is assessing the requirements for further clinical data discussed with the FDA and its impact on the overall development program of naproxcinod. NicOx intends to seek a partner to fund and manage any further development and potential commercialization of naproxcinod.

Financial summary

Revenues were €7.5 million in the first quarter of 2012, compared to zero revenue for the corresponding period of 2011. This significant increase is due to a one-off $10 million milestone payment (corresponding to €7.5 million) from Bausch + Lomb, invoiced in March 2012 and paid in April 2012, following Bausch +Lomb's decision to continue the development of BOL-303259-X.

Research and development costs and administrative and selling costs were €3.8 million in the first quarter of 2012, compared to €4.2 million in the first quarter of 2011.

As a result, NicOx recorded a total net profit of €4.2 million in the first quarter of 2012, compared to a net loss of €4.1 million for the same period in 2011. On March 31, 2012, the Group had cash and cash equivalents totaling €86.8 million (including €2.9 million from Altacor and excluding the $10 million milestone payment paid by Bausch + Lomb in April 2012), compared to €93.1 million on December 31, 2011.

Review of the consolidated financial results for the three months ended March 31, 2012 and 2011

The interim consolidated financial statements for the three months ended March 31, 2012 and 2011 have been prepared in accordance with applicable IFRS principles.

On March 21, 2012, NicOx acquired 11.8% of the shares of Altacor, a privately-held ophthalmology company based in the United Kingdom, and, further, entered into an exclusive option agreement to acquire the remaining shares of Altacor in shares and/or warrants, cash or a combination of cash and shares.

To date, NicOx does not legally control, or have any control over the financial and operating policies of Altacor based on its present legal ownership interests. However, as required by IAS 27, when determining whether NicOx controlled Altacor, potential voting rights have also been considered. Indeed, under IAS 27, the Group is deemed to have the power to control Altacor as it has, currently and until May 31, 2012, the option to acquire the remainder of Altacor's shares in cash. Therefore, on March 31, 2012 Altacor's transaction has been considered as a business combination in accordance with the above mentioned accountancy rules.

In this context, NicOx has accounted for the combination of NicOx and Altacor using the purchase method of accounting in accordance with IFRS 3, 'Business Combinations'. Results of operations for Altacor have been consolidated in the Group's income statement for the period March 21, 2012 to March 31, 2012 (8 days of activity). As a result, the application of IAS 27 has not generated any significant impact on the consolidated statement of comprehensive income for the three month period ended March 31, 2012 but has impacted the consolidated statement of financial position of NicOx as described below.

Consolidated statement of comprehensive income

Revenues

NicOx revenues totaled €7.5 million for the first three months ended March 31, 2012 compared to zero revenue for the same period of 2011.

The revenues recognized during the first quarter of 2012 correspond to the milestone payment of $10 million invoiced to Bausch + Lomb in March 2012, following their decision to continue the development of BOL-303259-X (NCX 116). This amount has been immediately recognized in revenues because the Company will not have continuing involvement in the future development of this compound which is the subject of the collaboration agreement signed in 2010 with Bausch + Lomb.

Research and development costs, administrative and selling costs

Research and development costs, administrative and selling costs for the first quarter of 2012 decreased to €3.8 million compared to €4.2 million for the first quarter of 2011. In 2010 and in 2011, NicOx implemented two consecutive restructurings of its entities and activities. As part of the restructuring in 2010, the US offices of NicOx were closed in August 2010, the headcount of the French and Italian entities of the Group were significantly reduced and activities were redefined in order to protect the Company's cash and cash equivalents and refocus the Group's key strategic priorities. In the last quarter of 2011, the Group has implemented an additional reduction of its workforce by approximately one third in order to align its structure with the corporate strategy of creating a commercially-focused development organization. On March 31, 2012, 35% of these expenses concerned research and development expenses and 65% administrative and selling expenses, compared to 66% and 34%, respectively, in the first quarter of 2011.

During the first quarter of 2012, research and development expenses were €1.3 million, compared to €2.8 million during the first three months of 2011. In the first quarter of 2012, research and development expenses primarily related to activities at the research center and ongoing regulatory activities for naproxcinod. On March 31, 2012, the Group employed 23 people in research and development, compared to 41 people at the same date in 2011.

Administrative expenses were €0.9 million in the first quarter of 2012 compared to €1.0 million in the first quarter of 2011 and include personnel expenses in administrative and financial functions, as well as the remuneration of corporate officers. Selling expenses totaled €1.6 million during the first three months ended March 31, 2012 compared to €0.4 million during the same period in 2011, and correspond for 2012 to communication and business development activities (including notably €0.9 million of costs incurred over the period in relation with the acquisition of the 11.8% of Altacor). The Group employed 17 people in its selling and administrative departments on March 31, 2012, compared to 16 people on March 31, 2011.

Other income

During the first quarter of 2012, other income was €0.2 million compared to €0.3 million in the first quarter of 2011. Other income corresponds to the operational subsidies from the research tax credit in France.

Other expense

Other expense, which refers exclusively to restructuring costs, was an income of €0.2 million in the first quarter of 2012, compared to an expense of €0.3 million on March 31, 2011. The income at March 31, 2012, is due principally to the cancellation of contingencies related to the restructuring of NicOx S.A. previously recognized in 2010 and 2011, which are no longer applicable in 2012.

Operating profit

On March 31, 2012 the Group generated an operating profit of €4.0 million, compared to an operating loss of €4.2 million in the first quarter of 2011.

Other results

Net financial income totaled €0.1 million in the first quarter of 2012, compared to €0.2 million during the same period in 2011, and mainly represents the returns on the financial investments of the Company's cash and cash equivalents.

The income tax expense incurred by NicOx during the first three months of 2012 relates to tax from its Italian subsidiary and totaled €0.01 million, compared to €0.05 million on March 31, 2011.

Total net profit for the period

For the first three months ended March 31, 2012, NicOx recorded a net profit of €4.2 million compared to a net loss of €4.1 million during the same period in 2011. This situation is explained by the strong increase of the revenues recognized over the period as indicated above.

Consolidated statement of financial position

The indebtedness incurred by NicOx is mainly short-term operating debt. On March 31, 2012, the Group's current liabilities totaled €4.6 million, including €1.9 million in accounts payable to suppliers and external collaborators, €1.1 million in other contingencies and liabilities with respect to the restructuring cost accrued, €1.1 million in taxes payable, €0.4 million in accrued compensation for employees, and €0.1 million for other liabilities.

On March 31, 2012, the Group's cash and cash equivalents were €86.8 million (including €2.9 million from Altacor), compared to €93.1 million on December 31, 2011.

Following the application of IFRS3 and the consequential consolidation of Altacor, NicOx elected to measure the non-controlling interest in Altacor at the proportionate share of its interest in Altacor's identifiable assets and recognized a goodwill of €2.0 million on March 21, 2012. This amount of goodwill has been determined provisionally and will be adjusted before the end of the twelve month period following the potential acquisition. In the event of a successful completion of the acquisition of the remaining shares of Altacor, the difference between the consideration paid and the carrying value of the interests acquired in Altacor will not be accounted for by an increase in goodwill, but recognized into equity.

About NicOx

NicOx (Bloomberg: COX:FP, Reuters: NCOX.PA) is building an international late-stage development and commercial Ophthalmology Company based around therapeutics, diagnostics and devices. As of March 2012, NicOx holds an 11.8% stake in the UK-based ophthalmology company Altacor, with an option to acquire the remaining shares, as the first step of a transformation into a late-stage development and commercial ophthalmic Company.

NicOx is also developing an internal portfolio of New Molecular Entities (NMEs) through the application of its proprietary nitric oxide-donating R&D platform. The Company's pipeline includes several nitric oxide-donating NMEs for the potential treatment of ophthalmological, inflammatory and cardio-metabolic diseases, which are in development internally and with partners, who include Bausch + Lomb, Merck (known as MSD outside the United States and Canada) and Ferrer.

NicOx S.A. is headquartered in France and is listed on Euronext Paris (Compartment C: Small Caps).

This press release contains certain forward-looking statements. Although the Company believes its expectations are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties, which could cause actual results to differ materially from those anticipated in the forward-looking statements.

Risks factors which are likely to have a material effect on NicOx's business are presented in the 4th chapter of the « *Document de référence, rapport financier annuel et rapport de gestion 2011* » filed with the French Autorité des Marchés Financiers (AMF) on February 29, 2012 and available on NicOx's website (www.nicox.com) and on the AMF's website (www.amf-france.org).

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INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME – MARCH 31, 2012

	For the period of three months ended March 31,	
	2012	2011
	(in thousands of € except for share data)	
Revenues	7,487	-
Research & development expenses	(1,346)	(2,774)
Administrative expenses	(929)	(1,037)
Selling expenses	(1,563)	(423)
Other income	160	320
Other expense	234	(255)
Operating profit (loss)	**4,043**	**(4,169)**
Finance income	174	173
Finance expense	(36)	(12)
Profit (loss) before income tax	**4,181**	**(4,008)**
Income tax expense	(14)	(52)
Net profit (loss)	**4,167**	**(4,060)**
Exchange differences on translation of foreign operations	(9)	34
Other comprehensive income (loss) for the period, net of tax	**(9)**	**34**
Total comprehensive income (loss) for the period, net of tax	**4,158**	**(4,026)**
Attributable to:		
Equity holders of the parent	4,174	(4,026)
Non controlling interests	(16)	

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION – MARCH 31, 2012

	As of March 31, 2012	As of Dec. 31, 2011
	(in thousands of €)	
ASSETS		
Non-current assets		
Property, plant & equipment	714	843
Goodwill	2,022	-
Intangible assets	94	117
Other financial assets	260	263
Deferred income tax assets	69	65
Total non-current assets	**3,159**	**1,288**
Current assets		
Stock	218	-
Trade receivables	7,683	**-**
Government subsidies receivable	1,242	866
Other current assets	932	367
Prepaid expenses	545	172
Cash and cash equivalents	86,834	93,136
Total current assets	**97,454**	**94,541**
TOTAL ASSETS	**100,613**	**95,829**
EQUITY AND LIABILITIES		
Common shares	14,578	14,563
Other reserves	73,960	69,761
Non-controlling interests	2,821	-
Total Equity	**91,359**	**84,324**
Non-current liabilities		
Other contingencies and liabilities	4,593	4,592
Deferred income tax liabilities	3	3
Finance lease	58	58
Total non-current liabilities	**4,654**	**4,653**
Current liabilities		
Other contingencies and liabilities	1,057	3,590
Finance lease	19	24
Trade payables	1,947	1,185
Current income tax payable	0	-
Social security and other taxes	1,513	1,890
Other liabilities	64	163
Total current liabilities	**4,600**	**6,852**
TOTAL EQUITY AND LIABILITIES	**100,613**	**95,829**