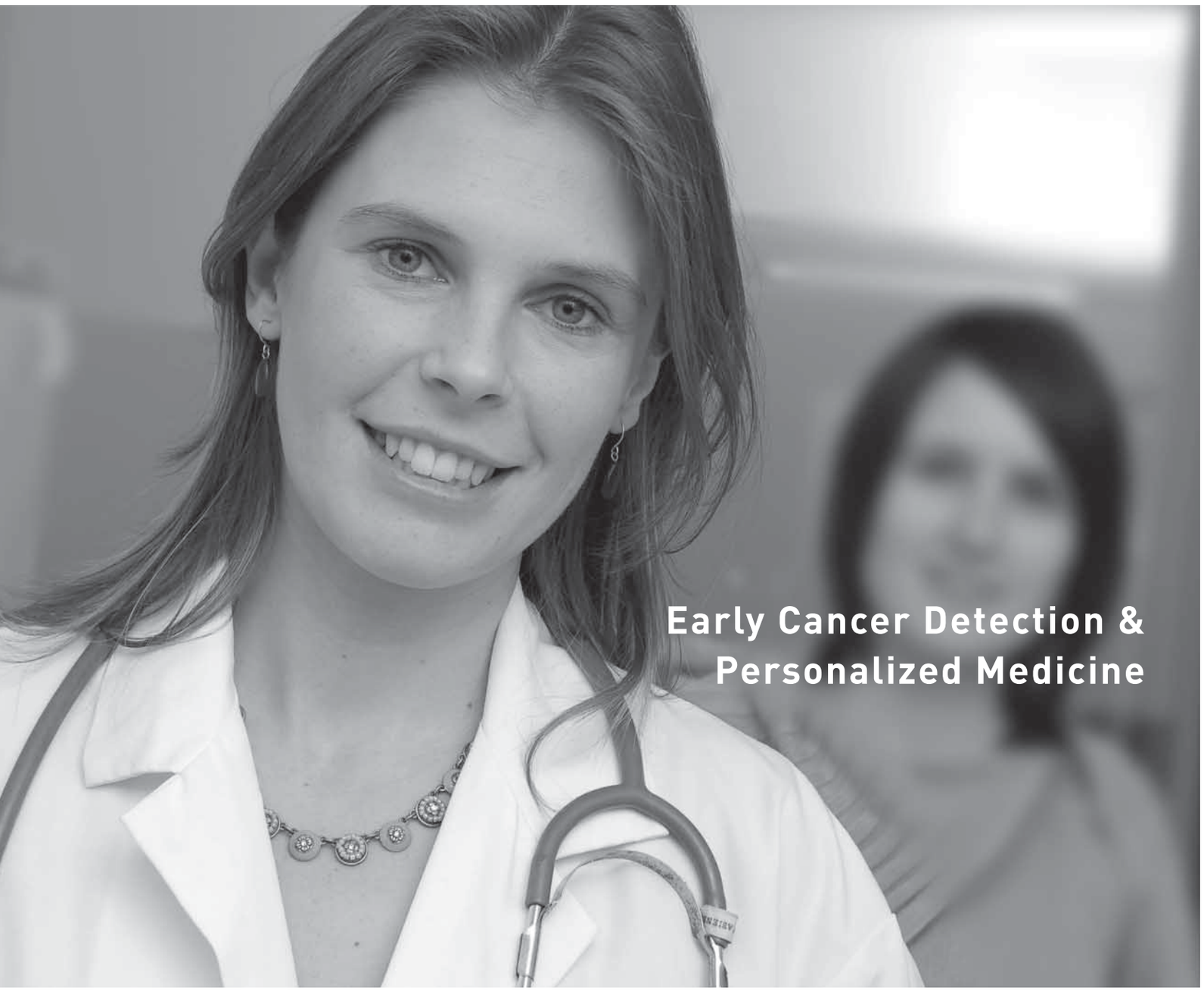
OncoMethylome SCIENCES

Annual Report 2008



Early Cancer Detection & Personalized Medicine

DNA METHYLATION
AND ITS ROLE IN CANCER

Gene methylation is a control mechanism that regulates gene expression in DNA. Gene methylation occurs when a methyl group is added to one of the four building blocks of DNA, a cytosine, as demonstrated in Figure 1.

Figure 1:
Cytosine methylation

The regulatory regions of active genes are sensitive to methylation. In normal cells, these promoter regions are regulated, as necessary, by the methylation process. In several diseases, however, the promoter regions can be abnormally, or hyper-methylated, in which case their function remains blocked and the proteins they code for are not produced, as demonstrated in Figure 2. Such abnormal methylation of relevant genes, such as tumor suppressor genes, is associated with the presence and development of most cancers.

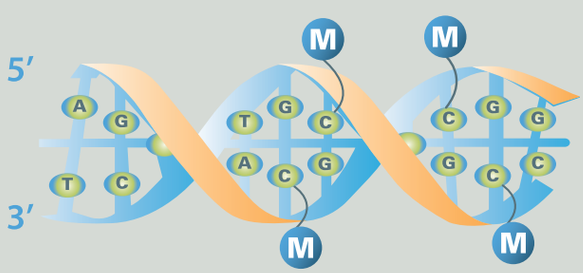


Figure 2:
Methylation of promoter gene regions blocks gene expression and protein production

The pattern of gene hyper-methylation in tumor cells is often specific to the tissue of origin and can be used to improve cancer detection, assess cancer aggressiveness, and predict a tumor's response to therapy.

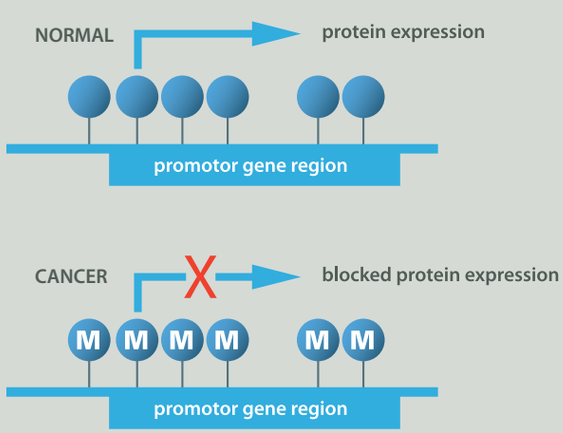


TABLE OF CONTENTS

1

Approximately 50% of all men

and 33% of all women
develop cancer during their lifetime.

OncoMethylome Overview

OncoMethylome is committed to providing treating physicians with novel, accurate, and informative DNA methylation-based diagnostic tools for

early detection of cancer

and for

personalizing treatment decisions.

"I am part of a dynamic group focusing on early detection of cancer. We are fortunate to be able to work with cutting-edge technology and a strong team of scientists to bring products quickly to the market that can improve the lives of cancer patients".

Katja Bierau - Vice-President Laboratory Operations

ONCOMETHYLOME OVERVIEW

OncoMethylome is a molecular diagnostics company developing molecular tests for early detection of cancer and for personalizing treatment decisions. The company is committed to providing treating physicians with novel, accurate, and informative diagnostic tools.

Approximately half of all men and one third of all women develop cancer during their lifetime. Without exception, one of the best ways to survive cancer is to detect it early when it is still confined to the organ of origin and is therefore most effectively treatable. OncoMethylome develops novel DNA-based tests for detecting cancer when it is still in early stages of growth.

OncoMethylome boasts a broad product development pipeline, spanning a number of very prevalent cancers such as bladder, colorectal, prostate and lung cancer.

FOCUS

MOLECULAR DIAGNOSTICS IN DEVELOPMENT BY ONCOMETHYLOME

Cancer Diagnostics

Detect cancer in its early development when it is most treatable.

- **Screening Tests:** non-invasive tests for routine screening of age-appropriate people for cancer.
- **Early Detection Tests:** second-line tests that complement the existing testing process or offer a non-invasive approach for early detection of cancer or its recurrence.

Personalized Treatment Tests

Assist doctors in personalizing cancer therapy.

- **Pharmacogenomic Tests:** predicting whether a drug treatment is likely to be effective for a specific patient.
- **Recurrence Prediction Tests:** assessing the likelihood of cancer recurrence after initial surgery.

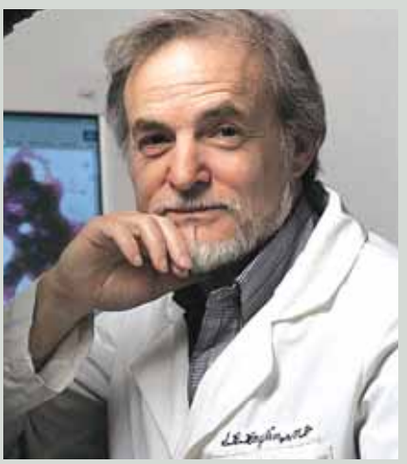
The products in development apply the innovative, patent-protected, DNA Methylation-Specific PCR (MSP) technology invented by Johns Hopkins University (USA).

OncoMethylome's personalized treatment activities are focused on developing tests that aid physicians in selecting the most appropriate course of treatment for each individual cancer patient.

Personalized treatment tests analyze the molecular makeup of a patient's tumour, providing information that is useful for selecting treatment, such as the likelihood that the tumour will recur and its predicted response to treatment.

OncoMethylome was founded in 2003, is headquartered in Belgium, and has offices and laboratories in Belgium, The Netherlands, and Durham, NC, USA.

INTERVIEW



Stephen B. Baylin, M.D.
Professor of Oncology
Director of Research
Chief, Cancer Biology
Johns Hopkins University School of Medicine

"Gene silencing through epigenetic mechanisms such as promoter hypermethylation is becoming increasingly clear as a cause for the development and aggressive behavior of human cancer. It is now known that epigenetic alterations are an early hallmark of many malignancies.
Employing the proper techniques (such as Methylation-Specific PCR, MSP) to reliably detect aberrant DNA methylation signatures provides an exquisitely sensitive tool to discover cancers at an earlier and more treatable stage than standard histopathology. Additionally, we are involved in a particularly exciting and promising program of treating advanced cancer by specifically reversing these epigenetic abnormalities. Re-expression of silenced critical genes to produce anti-tumor proteins will hopefully lead to disease regression and meaningful patient benefit. This could represent the most powerful application of pharmacogenomics."

2

2008 was a

very successful

year in terms of product development
and product launches (3 into the US market).

2008
in Review

OncoMethylome is well-positioned thanks to a

strong patent portfolio, numerous products in our development pipeline,

a highly sensitive and specific molecular technology, an extensive network of leading physicians and researchers, a strong financial position, the dedication of highly qualified employees, and to the support of numerous industry partners and shareholders.

"Epigenetic alterations are an early hallmark of many malignancies. Employing the proper techniques (such as Methylation-Specific PCR, MSP) to reliably detect aberrant DNA methylation signatures provides an exquisitely sensitive tool to discover cancers at an earlier and more treatable stage than standard histopathology."

Stephen B. Baylin, M.D. - Professor of Oncology

LETTER TO OUR SHAREHOLDERS

Dear OncoMethylome Shareholder,

Despite the 2008 turmoil in the finance sector, stock markets, and many parts of the world economy, OncoMethylome continued to make strong progress in its core business: the development of innovative and effective cancer diagnostic tests. Thanks to this focus on improving cancer diagnosis, to the ownership of a solid patent portfolio on exceptional technology, to a team of leading internal and external scientists, and to a strong balance sheet, OncoMethylome has managed to continue to stick to its mission and to deliver the desired results.

Most developed countries have an increasing population of older people. Since many cancers become more prevalent as people become older (colon, prostate, breast, lung, etc.), the rising cancer treatment costs are putting a strain on health-care budgets in all countries.

ONCOMETHYLOME PRODUCT PIPELINE

TARGET INDICATION	PRODUCT TYPE	CORPORATE PARTNER	DEVELOPMENT STAGE				SALES	
			MI	MAD	CV	LSKD	LSS	RR/KS
Prostate Cancer	Tissue diagnostic test Urine early detection test	J&J, LabCorp J&J				▶	▶	
Brain Cancer	MGMT Personalized treatment test	LabCorp, Schering-Plough, Merck KGaA					▶	
Colorectal Cancer	Stool screening test Blood screening test	LabCorp			▶		▶	
Bladder Cancer	Urine early detection test				▶			
Lung Cancer	Early detection test Recurrence prediction test			▶ ▶				
Cervical Cancer	Diagnostic test			▶				
Undisclosed Cancers	Personalized treatment test	Abbott GSK Biologicals		▶				
Breast Cancer	Diagnostic test		▶					

- MI: Marker identification
- MAD: Marker & Assay Development
- ▶: Diagnostic Test
- CV: Clinical Verification
- LSKD: Lab Service & Kit Development
- ▶: Personalized Treatment Test
- LSS: Lab Service Sales
- RR/KS: Reguatory Review/Kit Sales

The world is in need of (i) cost-effective diagnostic tests that can detect cancer at an early stage when treatment results are better and more cost-effective, (ii) accurate cancer diagnostic tests that avoid many of the unnecessary procedures and costs of current testing systems, and (iii) personalized treatment tests that ensure that cancer patients receive the optimal treatment and thereby reduce the billions of euros spent annually on cancer drugs and procedures that produce no positive effect for many cancer patients. The tests of OncoMethylome are targeted at these large market needs.

In 2008, three OncoMethylome products were launched on the US market via LabCorp, a major national reference laboratory. This is a significant achievement for both OncoMethylome and for the molecular diagnostics industry. These tests represent the first commercial uses in the world of methylation technology for cancer diagnostics. The three tests now being sold via LabCorp, which utilize OncoMethylome's patented Methylation-Specific PCR (MSP) technology, are (i) a prostate cancer tissue test using the OncoMethylome's patented GST-Pi and APC markers, (ii) a personalized treatment test based on OncoMethylome's patented MGMT marker, and (iii) a colorectal cancer screening test using stool samples.

Due to the significant product development progress in 2008, OncoMethylome expects to be able to partner two new products with commercial partners in 2009.

During 2008, OncoMethylome advanced numerous products in its development pipeline, including the following:

- A new colorectal cancer screening test based on blood samples has shown in initial studies sensitivity/specificity of approximately 70/90 % which are attractive results for a screening application. A large international multi-center clinical trial was initiated in 2008 comparing OncoMethylome's test to colonoscopy results. Close to 2000 patients were already enrolled in this trial in 2008.
- A first study was published in the *New England Journal of Medicine* on a new lung cancer recurrence test which was able to identify which stage I lung cancer patients have a 15 to 25 times higher likelihood of cancer recurrence after initial surgery.
- A next-generation colorectal cancer test based on stool samples is currently showing high sensitivity and high specificity.
- A bladder cancer detection test was validated in several hundred additional patients and controls in 2008. The test demonstrated sensitivity and specificity of 92%. Further trials are underway at various sites including in the US, Belgium, and the UK.
- OncoMethylome continued to make progress on all of its other products including tests for cervical, lung and breast cancers.
- Significant progress was made with several pharmaceutical companies on identifying personalized treatment (pharmacogenomic) tests for their cancer drugs or vaccines.

OncoMethylome significantly strengthened its patent portfolio and its ability to continue to develop innovative cancer tests. OncoMethylome filed patents on numerous new methylation cancer markers and on new marker testing procedures. In addition, OncoMethylome in-licensed additional methylation technologies and methylation cancer markers. Thus, in addition to strengthening its technologies and patents in its existing product development pipeline, OncoMethylome also accumulated patents for future work in other personalized medicine areas and other cancer indications.

OncoMethylome continued to have a strong balance sheet and ended the year with a net cash position of EUR 30.6 million. In a show of the company's solidity in the difficult equity, capital, and lending markets worldwide, OncoMethylome was able to successfully raise EUR 8.4 million of new funds via a private placement to institutional and qualified investors in December 2008.

2 2008 IN REVIEW

It is our belief this strong interest in OncoMethylome's shares, in today's turbulent financial markets, underscores the fundamental potential of OncoMethylome to lead in the development of novel and breakthrough cancer diagnostics.

2008 was a very successful year in terms of product development and product launches for OncoMethylome.

We are well positioned for continued success thanks to our strong patent portfolio, our highly sensitive and specific molecular technology, our extensive network of leading physicians and researchers, our strong financial position, the dedication of our highly qualified employees, and to the support of our numerous industry partners and shareholders.

Thank you for your ongoing support.

Sincerely,

Dr. Robert Timmins & Drs. Herman Spolders

Drs. Herman Spolders
Chief Executive Officer

Dr. Robert Timmins
Chairman of the Board

2008 KEY ACHIEVEMENTS

The first 3 commercial methylation-based tests using OncoMethylome's technology were launched on the US market via LabCorp

- Prostate cancer detection test (using biopsy tissue samples).
- Colorectal cancer screening test (using stool samples).
- Brain cancer personalized treatment test (using tumor tissue sample) for patients with glioblastoma likely to receive alkylating drug treatment.

Several of OncoMethylome's products were successfully advanced in the development pipeline

- Published first data on a new and very promising lung cancer recurrence test in the *New England Journal of Medicine*.
- Continued development and validation of 2 new colorectal cancer tests, one based on blood and the other on stool. Started large international multi-center clinical trial with close to 2000 patients enrolled in 2008. All patients undergo a colonoscopy in order to compare the results from the Company's non-invasive test to colonoscopy, the "gold standard" for colorectal cancer screening. The clinical trial is being expanded in 2009 so as to include approximately 7000 patients by year end.
- Further validated a new bladder cancer detection test using urine samples. The Company's bladder cancer methylation test has now been tested on several hundred patients and continues to demonstrate sensitivity and specificity of over 90%.
- All other products in development remain on track: cervical cancer test, lung cancer test, and a breast cancer test.

OncoMethylome expanded pharmacogenomic activities with current and new partners

- Schering-Plough Corp
- GlaxoSmithKline Biologicals
- Abbott
- Merck KGaA

OncoMethylome increased and strengthened its intellectual property portfolio

- In-licensed several methylation-related technologies. These are complements to the company's corner-stone methylation technology which is the leading methylation technology in the world. These additional in-licensed technologies allow our distributors and commercial partners to use our products on the broadest choice of PCR platforms, labelling techniques, and methylation techniques in the industry.
- Additional patents on methylation markers and technology processes were filed.

Reinforced OncoMethylome's cash position

- Raised EUR 8.4 million from institutional and qualified investors.
- Ended the year 2008 with a net cash position of EUR 30.6 million.

3

Setting new standards for early and accurate detection of cancer, including

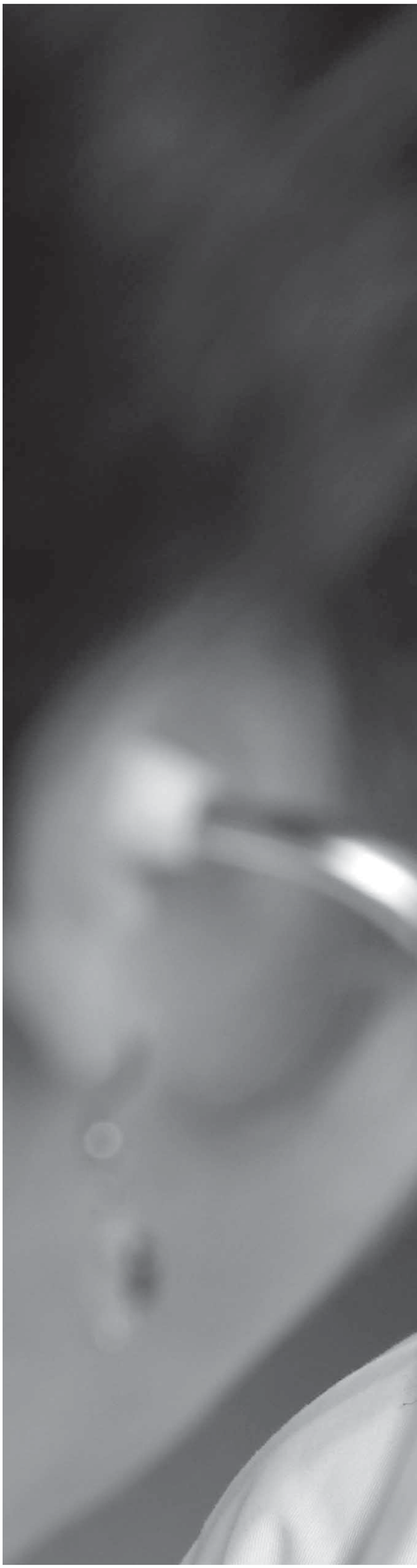
Testing individuals at high risk

for developing cancer due to age, symptoms, smoking or environmental exposures.

Cancer Diagnostics

Early detection tests

can enhance current diagnostic practices, thus reducing unnecessary follow-up procedures, costs, patient anxiety, and/or delays in diagnosis.



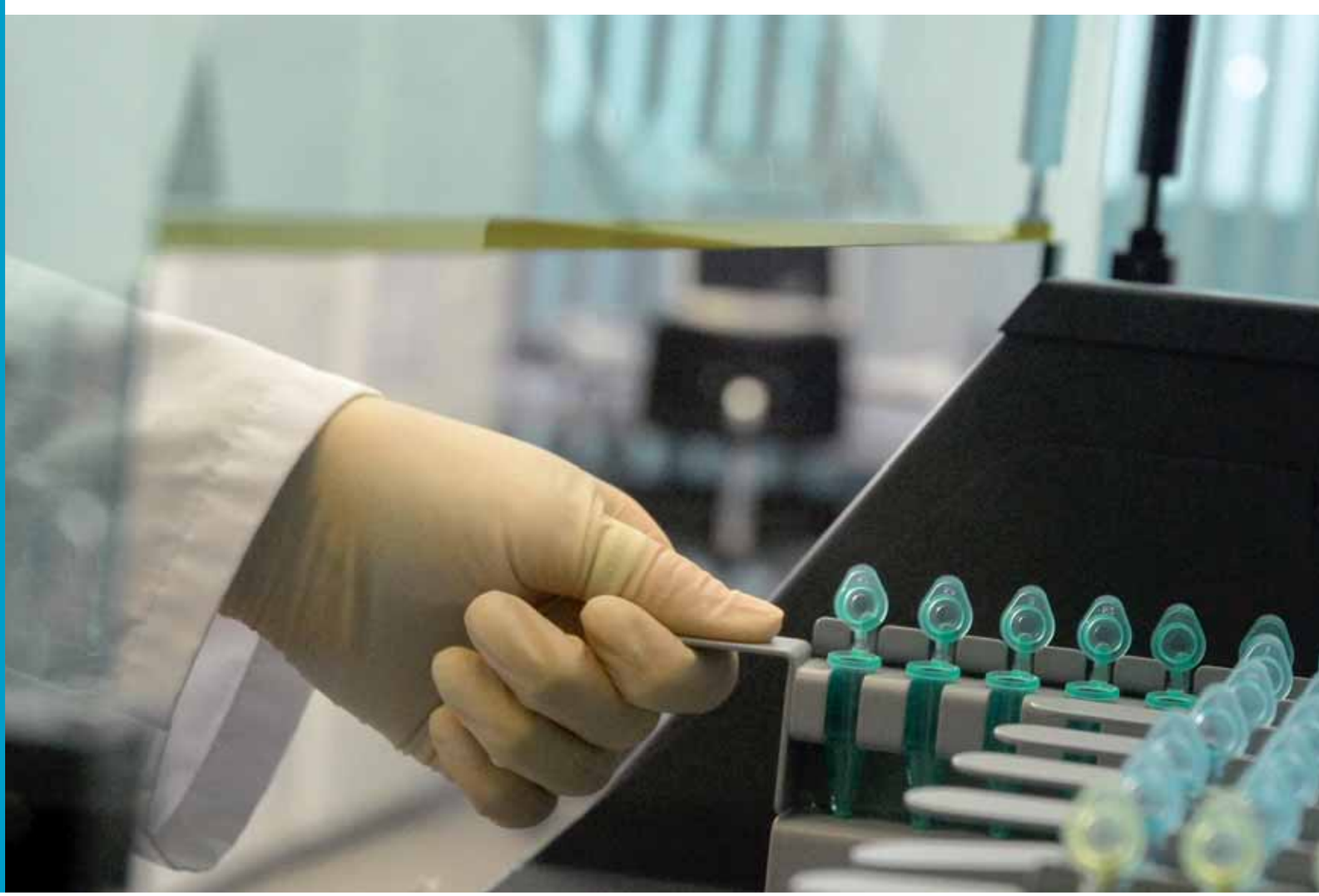
"Positive methylation-marker testing of pathology negative prostate biopsies would support the need for a repeat biopsy, while negative methylation results could reduce the number of repeat biopsies."

Dean TROYER - Professor, Department of Microbiology and Molecular Cell Biology

CANCER DIAGNOSTICS

In the diagnostic area, OncoMethylome develops molecular diagnostic tests that aim to set a new standard for early and accurate detection of cancer. OncoMethylome is developing screening tests, as well as tests for early detection of cancer.

Screening refers to routine first-line testing of seemingly healthy people. Screening for cancer is often recommended for people over the age of fifty due to their increased risk of developing cancer. On the other hand, early detection tests are second-line tests that complement the existing pathology evaluation of biopsy tissue or offer a non-invasive approach for early detection of inital or recurrent disease.



OncoMethylome's strategy is to commercialize most of its diagnostic products via global diagnostic companies and service laboratories with established sales and marketing capabilities. In exchange for commercial licenses, OncoMethylome typically receives upfront license and milestone payments and is entitled to royalty payments on future product sales. Two diagnostic applications for prostate cancer are already licensed to Veridex LLC. Veridex has sublicensed a tissue-based prostate cancer assay to LabCorp, one of the largest service laboratories in the USA.

Additional diagnostic products in the OncoMethylome development pipeline include tests for detection of colorectal, bladder, lung, breast and cervical cancers.

INTERVIEW

Dean Troyer
Professor, Department of Microbiology and Molecular Cell Biology
Eastern Virginia Medical School
Clinical Professor
University of Texas Health Science Center, San Antonio

"Current pathology testing of prostate biopsy tissues leads to underdiagnosis of prostate cancer. The false negative rate is as high as 35% amongst the 1 million men biopsied each year in the U.S., resulting in the need for repeat biopsies to rule out prostate cancer with certainty. In our studies, methylation of the GST-Pi and APC genes correlated with the presence of prostate cancer in biopsies previously determined to be negative for cancer by histopathology. Positive methylation-marker testing of pathology-negative prostate biopsies would support the need for a repeat biopsy, while negative methylation results could reduce the number of repeat biopsies."

COLORECTAL CANCER SCREENING

In 2008, LabCorp introduced a stool-based assay for colorectal cancer screening, using OncoMethylome's patented MSP technology, to detect methylation of vimentin DNA. Studies have demonstrated that methylation of this gene is associated with the presence of colorectal cancer and detection of this methylated gene in a stool sample is more sensitive, for the detection of colorectal cancer, than the standard fecal-occult blood test in use today. Based on the evidence, stool-based DNA technology was included in the 2008 colorectal cancer screening guidelines of the American Cancer Society and the U.S. Multi-Society Task Force on Colorectal Cancer.

OncoMethylome has programs underway to further improve the accuracy and user-friendliness of non-invasive tests for colorectal cancer screening.

INTERVIEW

Gerrit Meijer,
MD PhD, Professor of Pathology,
Department of Pathology,
VU University Medical Center,
Amsterdam, The Netherlands

"Colorectal cancer is a major cause of death in the western world. Screening programs that detect the disease in an early and still curable stage are the best strategy for reducing these high death rates. Tests looking for tumor specific methylation signals in stool- and blood-derived DNA have shown promising results in case control studies, and await validation in large screening studies. Such a large multicenter validation study has recently started in the Netherlands as part of the Center for Translational Molecular Medicine, which will provide definitive data on the value and position of these tests. In addition, this program will also explore the potential of methylation markers for identifying colorectal cancer patients at high risk for recurrence of disease despite a rather favorable tumor stage, as well as the potential of methylation markers for predicting response to systemic drug therapy."

BLADDER CANCER

OncoMethylome continues to demonstrate very positive results in studies evaluating a panel of methylated genes for the early detection and recurrence of bladder cancer.

Bladder cancer is responsible for over 160,000 new cancer cases and over 48,000 deaths each year in the US and European Union. Urine cytology and cystoscopy are the current standard of care for bladder cancer detection and surveillance. Cytology is highly specific but insensitive, detecting less than 50% of bladder cancers. Cytoscopy, is highly accurate but it is invasive, costly, and not without risk.

In a recent study, OncoMethylome's urine-based methylation panel demonstrated a sensitivity (ability to identify patients positive for cancer) of 92%, vs. only 49% for cytology, and a specificity (ability to identify patients negative for cancer), equal to that cytology, of 92%. Clinical studies are being conducted, at key U.S. and European medical centers, to confirm these findings.

INTERVIEW

John D. Kelly,
Uro-Oncologist. Addenbrookes.
Cambridge University Hospitals.
United Kingdom

"Bladder cancer is a recurring disease with a prevalence equaling that of lung cancer. A significant proportion of the economic burden of bladder cancer is due to the expense of detection of the disease. A panel of DNA methylation markers applied as a urine-based assay will have the potential to detect bladder cancer in patients with suspected disease, and detect recurrence in patients with established disease. Such a test will reduce unnecessary investigations such as cystoscopy which is a visual examination of the bladder using a fiber optic instrument. None of the currently available marker tests for detection of bladder cancer can discriminate between cancer and non-cancer with accuracy sufficient to replace cystoscopy. We believe that by using a panel of markers, the power to discriminate is greatly enhanced and will be sufficient to reduce the dependence on cystoscopy. By reducing unnecessary investigations, the DNA methylation test will reduce the discomfort experienced by patients and have a significant impact on the health economic burden of the disease."

4

Designed for more individualized cancer treatment including :

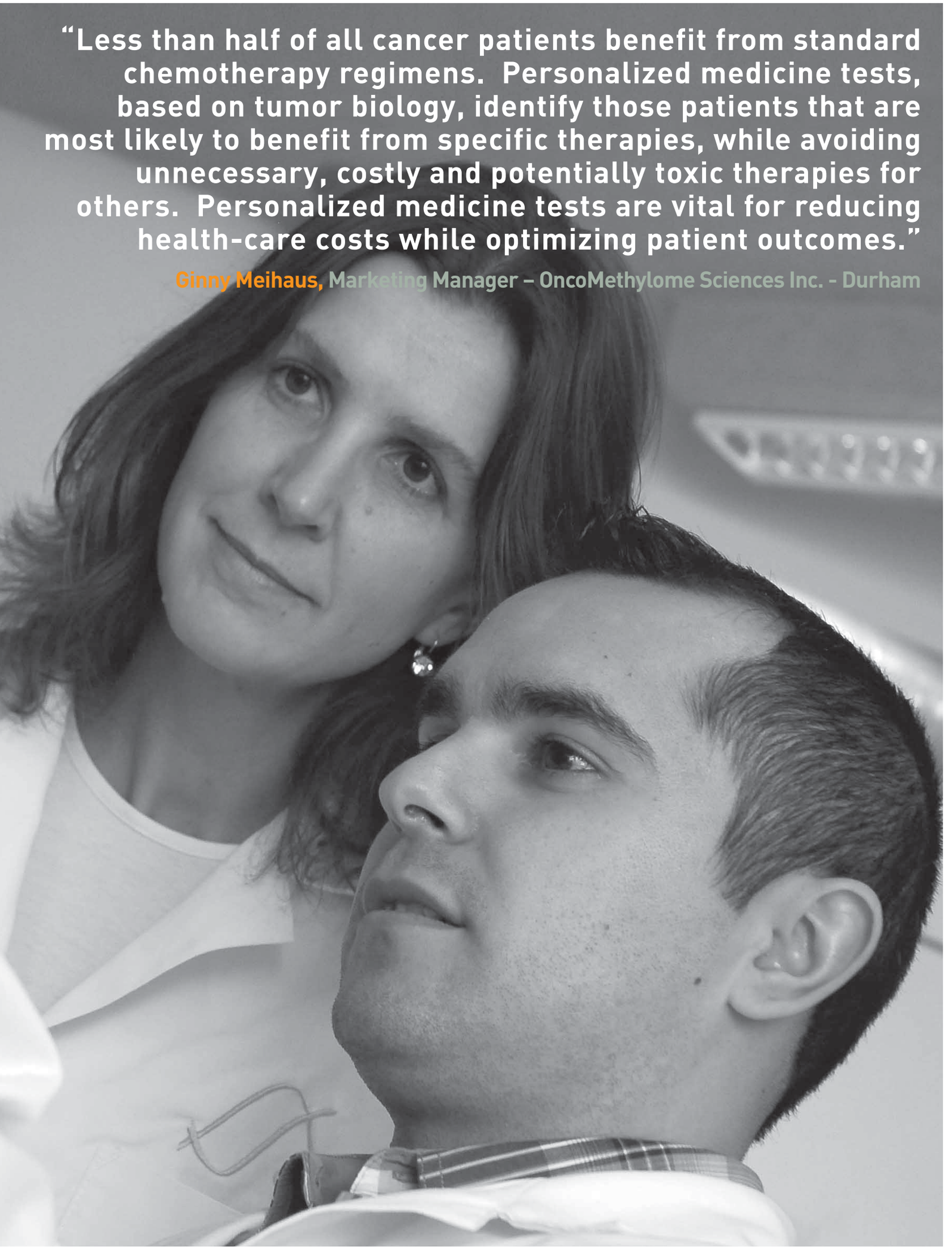
• Pharmacogenomics Tests that, based on the biology of the tumor, will help to identify those patients most likely to benefit from a drug while avoiding ineffective, often toxic, and costly treatments in those unlikely to benefit.

• Recurrence Prediction Tests can help to identify early-stage tumors that have an aggressive molecular profile and are therefore at increased risk for recurrence and/or progression.

Personalized Treatment Tests

Helping to adapt the treatment

to the patient by providing valuable information based on the molecular profile of the patient's tumor.


"Less than half of all cancer patients benefit from standard chemotherapy regimens. Personalized medicine tests, based on tumor biology, identify those patients that are most likely to benefit from specific therapies, while avoiding unnecessary, costly and potentially toxic therapies for others. Personalized medicine tests are vital for reducing health-care costs while optimizing patient outcomes."
Ginny Meihaus, Marketing Manager – OncoMethylome Sciences Inc. - Durham

PERSONALIZED TREATMENT TESTS

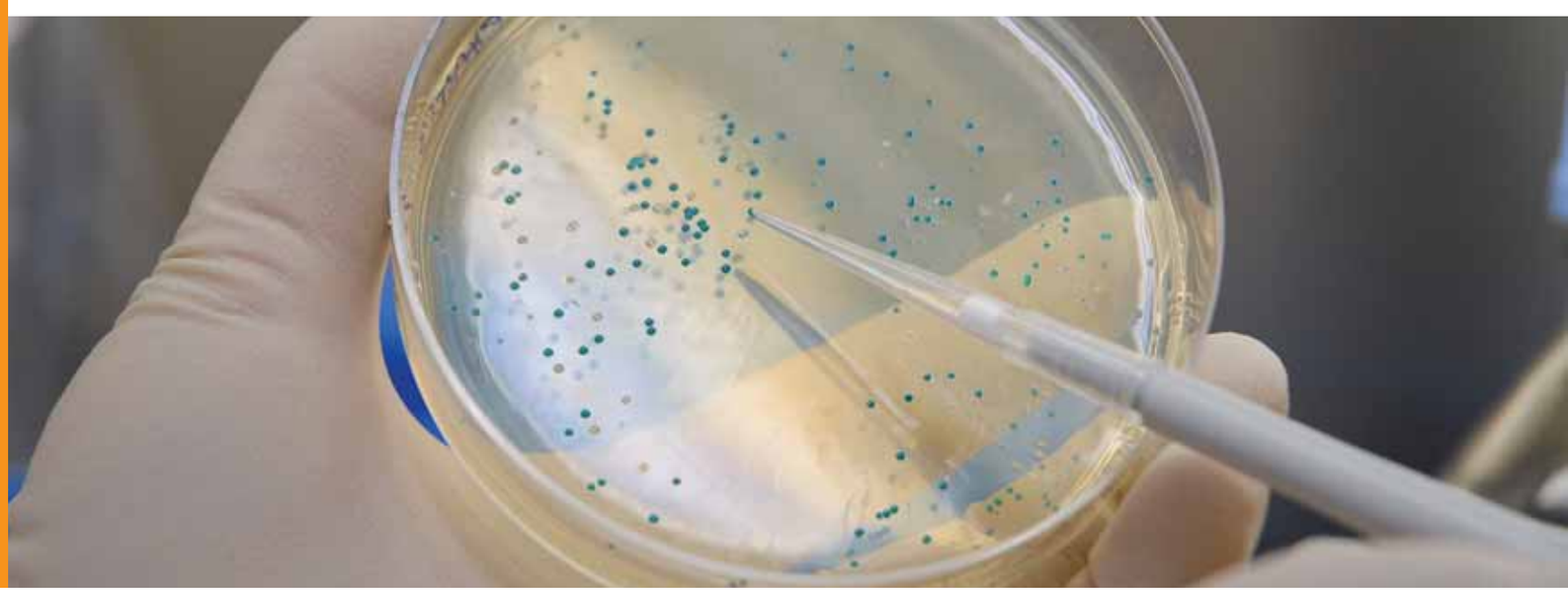
OncoMethylome's personalized treatment tests aim to help doctors most effectively treat cancer patients. When developing personalized treatment tests, OncoMethylome analyzes the molecular make-up of tumors to identify DNA biomarkers that are correlated with patient response to cancer drugs or with the likelihood of cancer recurrence. Personalized treatment tests are designed to provide treating physicians with additional and valuable information about a patient's cancer at the time of diagnosis. In developing such tests, OncoMethylome collaborates closely with pharmaceutical companies that develop oncology therapeutics and with oncologists who treat cancer patients.

OncoMethylome's most advanced personalized treatment collaboration is with Schering-Plough Corporation who markets the chemotherapy drug temozolomide. OncoMethylome has developed the MGMT test for predicting patient response to treatment with temozolomide. The MGMT test assesses the methylation status of the MGMT gene, whose correlation with temozolomide treatment response has been documented in brain cancer patients.

OncoMethylome is in the process of confirming this correlation in a multi-center, phase III, brain cancer clinical trial. Furthermore, in collaboration with Schering-Plough, OncoMethylome is also participating in other phase II trials designed to assess the impact of MGMT methylation on treatment response for other types of cancers. This MGMT test was launched commercially in the USA at the end of 2008 by LabCorp.

OncoMethylome's collaborators published in the *New England Journal of Medicine* the first data on a new lung cancer recurrence test that was able to identify which stage I lung cancer patients have a 15 to 25 times higher likelihood of cancer recurrence after initial surgery and, as such, would be candidates for the use of chemotherapy.

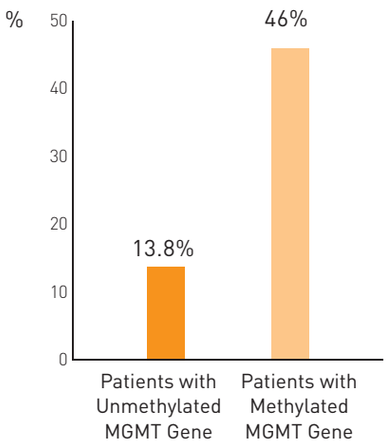
In its collaboration with other pharmaceutical companies, such as GlaxoSmithKline (GSK) Biologicals and Abbott, OncoMethylome is developing DNA methylation biomarkers for personalizing cancer treatment with undisclosed drugs or vaccines in development by these firms.



PHARMACOGENOMIC TESTS

MGMT Methylation in temozolomide (TMZ) and radiotherapy (RT) -treated glioblastoma brain cancer
Adapted from "Hegi et al. N Engl J Med 2005; 352(10): 997-1003".

SURVIVAL RATE AT 2 YEARS (RT + TMZ)



In this referenced study of patients treated with temozolomide (TMZ) and radiotherapy (RT), the difference in survival between patients with a methylated MGMT promoter and those with an unmethylated MGMT promoter was highly significant indicating that MGMT methylation status has prognostic value.

INTERVIEW

Prof. Dr. Bart Neyns,
Head of Medical Oncology
University Hospital Brussels

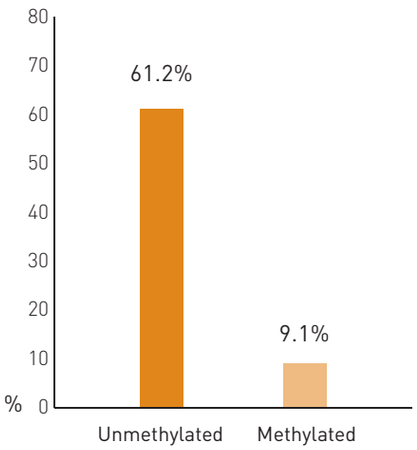
"Results from European studies in glioblastoma and anaplastic glioma indicate that methylation of the MGMT-promoter (assessed by MSP) is the most powerful predictive factor, next to histopathology and differentiation grade, for survival in patients with newly diagnosed advanced brain cancers. As such, MGMT promoter methylation can already provide important prognostic information for such patients treated with radiation and alkylating chemotherapy. As new treatment options (e.g. receptor targeted agents) are becoming available as alternatives to alkylating agents, there is even greater potential for MGMT-promoter methylation status to become incorporated in the clinical treatment decision making-process in the near future."

RECURRENCE PREDICTION TEST

DNA Methylation Markers and Early Recurrence in Stage I Lung Cancer

Adapted from "New England Journal of Medicine March 2008; 358(11):1118-1128"

RECURRENCE-FREE SURVIVAL



Results suggest that the detection of methylation of certain genes may identify cells, within tumor tissue and lymph nodes, with potential for metastatic spread. If validated in other studies, such a marker panel would help to identify patients most likely to benefit from the addition of adjuvant chemotherapy.

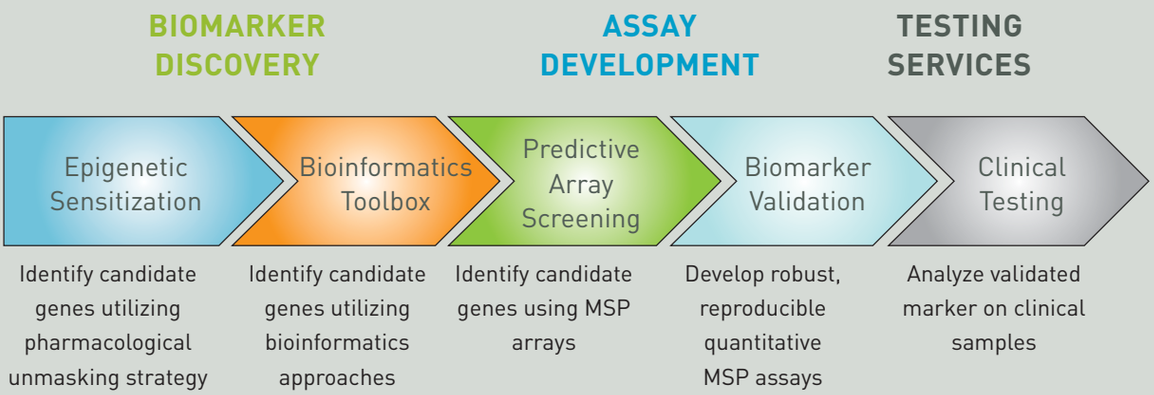
INTERVIEW

Malcolm V. Brock, M.D.
Associate Professor
of Surgery and Oncology
Johns Hopkins
University School of Medicine

"Over one third of patients with early-stage lung cancer who have no detectable cancer after surgery still die of recurrent disease. This is due to metastases that escape current detection methods. New evidence recently published in the "New England Journal of Medicine" shows that DNA methylation markers may detect these metastases and identify patients at high risk for disease recurrence. At present, chemotherapy is given only sparingly to lung cancer patients postoperatively because of its potentially lethal side-effects. As part of our personalized medicine products, this new test enables only those at risk for disease recurrence to receive treatment."

PHARMACOGENOMIC RESEARCH & DEVELOPMENT

Pharmacogenomic Integrated Platform



OncoMethylome Sciences offers a full range of biomarker services based on its patented Methylation-Specific PCR (MSP) technology. From identification of DNA Methylation biomarkers to customized pharmacogenomic assays, Oncomethylome works with its partners to optimize cancer treatment and improve the drug development process by identifying predictive biomarkers for oncology therapeutics.

The need for molecular diagnostics that can lead to more personalized treatment of cancer is growing due to several factors. While the trial-and-error approach, where all patients are treated alike, despite high toxicities, high costs and lack of response in most, is clearly ineffective, it remains the standard of practice for the treatment of most cancers. Because of this, the trend in drug development is now towards innovative therapies that target specific biological pathways that are altered during cancer development. These changes are frequently the result of genetic (DNA mutations) or epigenetic (DNA methylation) alterations. A priority for pharmaceutical drug development and the regulatory agencies, which approve the use of new drugs, is to have biomarkers available for identifying those patients most likely to respond to these new therapies.

OncoMethylome has discovered numerous biomarkers and created tools for developing diagnostic tests for oncology therapeutics and the pharma industry (pharmacogenomics).

We have established a multi-faceted technological approach (ONCO biomarker engine) based on our proprietary Methylation-Specific PCR (MSP) platform to identify DNA methylation-based oncology biomarkers for personalized treatment applications. OncoMethylome utilizes next-generation DNA-sequencing methods together with a pathway-based, real-time MSP array approach to exhaustively mine the epigenome and identify relevant biomarkers. This approach combines a sensitive and specific discovery phase with a smooth transition to validated assays for clinical trial testing. Applying these methods reveals novel epigenetic insights in cancer progression that are efficiently translated into methylation biomarkers for predicting response to specific drug therapies.

OncoMethylome Sciences is currently working with several pharmaceutical companies to apply these technologies to the new drug development pipeline.

KEY FINANCIALS

Years ended December 31
in '000 EUR

Consolidated Income Statement Data	2008	2007	2006
Revenues	**3 ,024**	**2,641**	**2,771**
Gross profit	2,781	2,191	2,716
Research and development expenses	10,999	10,699	8,648
Selling, general and administrative expenses	3,107	2,463	1,896
Other operating income/expenses	1	0	14
Operating Profit/(Loss) (EBIT)	**(11,326)**	**(10,971)**	**(7,842)**
Financial income	1,143	1,049	658
Financial expenses	9	53	184
Income taxes	0	0	0
Net profit / (Loss)	**(10,192)**	**(9,975)**	**(7,368)**

Consolidated Balance Sheet Data	2008	2007	2006
ASSETS			
Total non-current assets	4,660	3,427	2,102
Total current assets	34,392	36,477	34,674
Of which cash and cash equivalents	30,601	33,103	32,809
Total assets	**39,052**	**39,904**	**36,776**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Total equity	32,643	34,122	31,980
Non-current liabilities	1,252	1,344	654
Current liabilities	5,157	4,438	4,142
Total liabilities and shareholders' equity	**39,052**	**39,904**	**36,776**

Consolidated Cash Flow Statement	2008	2007	2006
Operating cash flow	(9,313)	(11,301)	(5,181)
Investing cash flow	(1,619)	275	(553)
Financing cash flow	8,475	11,274	29,124
Net change in cash and cash equivalents	**(2,459)**	**248**	**23,390**
Cash and cash equivalents at end of period	30,601	33,103	32,809

Share Information

Stock Exchange	Ticker Symbol
Euronext Brussels	ONCOB
Euronext Amsterdam	ONCOA

Investor Contact

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Corporate Reporting Calendar

2009

March 12, 2009	2008 Full Year Results
May 7, 2009	First Business Update
May 29, 2009	Annual General Shareholders' Meeting
August 27, 2009	2009 Half-year Results
November 5, 2009	Second Business Update

2010

March 11, 2010	2009 Full Year Results
May 6, 2010	First Business Update
May 28, 2010	Annual General Shareholders' Meeting
August 26, 2010	2010 Half-year Results
November 4, 2010	Second Business Update

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