



2008 INTERIM REPORT

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This Interim Report contains forward-looking statements and estimates with respect to the anticipated future performance of OncoMethylome and the market in which it operates. Such statements and estimates are based on assumptions and assessments of known and unknown risks, uncertainties and other factors, which were deemed reasonable but may not prove to be correct. Actual events are difficult to predict, may depend upon factors that are beyond OncoMethylome's control, and may turn out to be materially different. OncoMethylome expressly disclaims any obligation to update any such forward-looking statements in this Interim Report to reflect any change in its expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based unless required by law or regulation.

I. INTERIM MANAGEMENT REPORT

Important events for the first half year 2008

The first half of 2008 marked the fifth anniversary since the creation of OncoMethylome Sciences. In this brief period of time by bio-tech standards, OncoMethylome successfully developed several products and created a solid pipeline of future products. Most importantly, during the first half year 2008, the first commercial molecular cancer test based on OncoMethylome's methylation technology and R&D results was launched in North America. OncoMethylome's core expertise of quickly, efficiently, and cost-effectively developing innovative and market-leading cancer products will continue to be the focus of its activities.

Key commercial advances for the first half year 2008:

- The first testing service incorporating OncoMethylome's technology was launched in North America by OncoMethylome's commercial partner Laboratory Corporation of America (LabCorp®). This test provides for a more sensitive and accurate detection of prostate cancer and it is the first commercially available methylation-based cancer diagnostic test in North America.
- OncoMethylome granted LabCorp a license for MGMT methylation testing. MGMT methylation is a promising potential predictor of response to certain chemotherapies used for treating cancer patients. LabCorp is currently preparing the commercial launch of the MGMT methylation testing service.
- OncoMethylome agreed to supply LabCorp with reagents for detecting methylation of the Vimentin DNA marker. This agreement enabled LabCorp to launch the novel ColoSure™ colorectal cancer testing service in July 2008.
- OncoMethylome expanded its companion diagnostic collaborations with pharmaceutical companies, including a new agreement with Merck KGaA.

Key product development advances for the first half year 2008:

- OncoMethylome initiated a large clinical trial for validating a novel methylation blood test for colorectal cancer screening. 600 patients have already been successfully enrolled in the international clinical trial.
- New clinical trial data confirmed that a test that OncoMethylome is developing for detecting bladder cancer in urine is able to successfully detect early stage bladder cancer with sensitivity and specificity greater than 90%.
- OncoMethylome in-licensed certain methylation assay technologies, which when combined with OncoMethylome's core MSP (Methylation Specific PCR) technology, give OncoMethylome the broadest and best methylation technology IP portfolio.
- OncoMethylome took a minority equity stake in a private German diagnostics company and obtained first negotiation rights to a test in development for predicting outcomes in patients with early-stage colorectal cancer.
- OncoMethylome and its collaborators identified methylation markers that are associated with lung cancer recurrence, as published this year in the *New England Journal of Medicine*.

Significant post-closing events

OncoMethylome's position in the colorectal cancer market was significantly strengthened by LabCorp's July 2008 launch of ColoSure™ on the North American market. ColoSure is the only stool-based DNA test which is included in the colorectal cancer screening guidelines of the American Cancer Society. Inclusion in the guidelines is expected to drive awareness and adoption of the test.

Outlook for the second half of 2008

OncoMethylome's commercial partner LabCorp is preparing the launch of the MGMT methylation testing service in North America. While OncoMethylome will continue to work with select distribution partners, OncoMethylome will increasingly take a more active role in the commercialization of its products in core European markets. To that end, OncoMethylome is currently evaluating its options for bringing products to the European market.

Because all commercially available OncoMethylome products will only have been available for a portion of 2008, they will not significantly impact OncoMethylome's 2008 total revenues. For the full year 2008, OncoMethylome expects total revenues to be similar to or above the revenues achieved in 2007. Due to exposure to lump-sum milestone payments resulting from commercial partnerships, the company's revenues may be subject to variations from period to period. While OncoMethylome is spending more on clinical trials and business development activities in 2008 than in 2007, the total operating costs will nonetheless expand less in 2008 than they did in 2007.

Related party transactions

In the first six months of 2008, no transactions with related parties were made which have material impact on the financial position and results of the Company. There were also no changes to related party transactions disclosed in the Annual Financial Report 2007 that potentially had a material impact to the financials of the first six months of 2008.

Principal risks related to the business activities

The principal risks related to the OncoMethylome's business activities have been outlined in the 2007 Registration Document, which is available on the internet at <http://www.oncomethylome.com/investors/financials.htm>. These risks have not materially changed from those laid out in the 2007 Registration Document.

Declaration of responsible persons

The Board of Directors of OncoMethylome Sciences SA, represented by all its members, declares that, as far as it is aware, the financial statements in this Interim Report, made up according to the applicable standards for financial statements, give a true and fair view of the equity, financial position and the results of the company and its consolidated companies. The Board of Directors of OncoMethylome Sciences SA, represented by all its members, further declares that this Interim Report gives a true and fair view on the information that has to be contained herein.

II. UNAUDITED CONSOLIDATED BALANCE SHEET

at June 30 2008 compared to December 31 2007

In thousands of EUR

According to IFRS

	as at June 30, 2008	as at Dec 31, 2007
ASSETS		
Intangible assets	1.857	73
Property, plant and equipment	1.589	1.748
Financial assets	500	
Grants receivable (> 1 year)	1.296	1.606
Non-current assets	5.242	3.427
Grants receivable (< 1 year)	1.382	1.517
Trade receivables	363	459
Prepaid expenses and other current assets	1.605	1.398
Cash and cash equivalents	25.394	33.103
Current assets	28.744	36.477
Total assets	33.986	39.904
EQUITY AND LIABILITIES		
Share capital	45.731	45.481
Issuance premium	7.935	7.905
Accumulated profit/(loss)	-20.650	-10.675
Result of the year	-5.700	-9.975
Share-based compensation	1.508	1.352
Translation reserves	46	34
Equity attributable to equity holders	28.870	34.122
Total equity	28.870	34.122
Grants payable (> 1 year)	932	1.343
Long-term lease debt	0	1
Non-current liabilities	932	1.344
Current portion of lease debt	2	2
Trade payables	2.514	2.659
Other current liabilities	1.668	1.777
Current liabilities	4.184	4.438
Total equity and liabilities	33.986	39.904

III. UNAUDITED CONSOLIDATED INCOME STATEMENT

For six months ended June 30 2008 and 2007

In thousands of EUR (except per share amounts)

According to IFRS

	For six months ended	
	June 30, 2008	June 30, 2007
Product and service income	839	349
Government grant income	682	774
Revenues	1.521	1.123
Cost of goods and services sold	122	136
Gross Profit	1.399	987
Research and development costs	5.831	5.205
Selling, general and administrative expenses	1.786	1.387
Other operating income	0	2
Other operating expenses	0	4
Total operating charges	7.617	6.594
Operating profit (EBIT)	-6.218	-5.607
Financial income	603	542
Financial expenses	85	31
Profit/(loss) before taxes	-5.700	-5.096
Income taxes	0	0
Net Profit/(Loss)	-5.700	-5.096
Net profit/(loss) per share – basic	-0.48	-0.48
Shares used in computing per share amount – basic (number outstanding shares)	11.808.822	10.633.514

IV. UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

For six months ended June 30 2008 and 2007

In thousands of EUR

According to IFRS

	for six months ended	
	June 30, 2008	June 30, 2007
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating Profit/(Loss)	-6.218	-5.607
Depreciation, amortization and impairment results	497	270
Share-based compensation	156	615
(Increase)/decrease in accounts receivable (1)	334	-872
Increase/(decrease) in accounts payable (2)	-676	-1.081
Total adjustments	311	-1.068
Net cash provided by/(used in) operating activities	-5.907	-6.675
CASH FLOWS FROM INVESTING ACTIVITIES		
Financial equity investment	-500	
Interest received	603	533
Other financial profit/(loss)	-85	-22
Investment in intangible assets	-2014	0
Purchase of property, plant and equipment	-97	-320
Net cash provided by/(used in) investing activities	-2.093	191
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on long-term leases	-2	-1
Proceeds from issuance of shares (net of issue costs)	281	858
Net cash provided by/(used in) financing activities	279	857
Net increase/(decrease) in cash and cash equivalents	-7.721	-5.627
Cash and cash equivalents at beginning of year	33.103	32.809
Effect of exchange rates	12	6
Cash and cash equivalents at end of period	25.394	27.188

(1) = long term grants receivable + short term grants receivable + trade receivables + prepaid expenses and other current assets

(2) = long term grants payable + trade payables + other current liabilities

V. UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

*In thousands of EUR (except share amounts)
According to IFRS*

	Number of shares	Share capital	Issuance premium	Retained earnings	Share-based compensation	Translation reserves	Total Equity
Balance at 31 December 2007	11.747.702	45.481	7.905	-20.650	1.352	34	34.122
Issuance of shares (exercise of stock options)	61.120	250	30				280
Net Profit/(Loss) through June 30 2008				-5.700			-5.700
Share-based compensation					156		156
Translation reserves						12	12
Balance at 30 June 2008	11.808.822	45.731	7.935	-26.350	1.508	46	28.870

VI. STATUTORY AUDITOR'S LIMITED REVIEW REPORT

"We have performed a limited review of the consolidated balance sheet as of June 30 2008, the consolidated income statement and the cash flow statement (jointly the "interim financial information") of OncoMethylome Sciences SA for the six month period ended June 30, 2008. This interim financial information has been prepared under the responsibility of the Board of Directors.

Our examination has been conducted in accordance with the recommendation of the Institute of Company Auditors (Instituut der Bedrijfsrevisoren/Institut des Réviseurs d'Entreprises) with regard to limited review procedures. Therefore, our review consisted mainly of the examination, comparison and discussion of the financial information. As a consequence, our review is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards.

Based on our limited review, no elements or facts have come to our attention that cause us to believe that the interim financial information for the six month period ended June 30, 2008 is not prepared in accordance with legal and regulatory requirements and the recognition and measurement criteria of IFRS as adopted by the European Union."

The Statutory Auditor
BDO Atrio Réviseurs d'Entreprises Soc. Civ. SCRL
Represented by Luc Annick

Zaventem
August 27, 2008

VII. EXPLANATORY NOTES

Accounting policies

The accounting policies and methods of computation in the interim financial statements are identical to the most recent annual financial statements.

Revenues

Revenues increased by 35% to EUR 1,521,000 from EUR 1,123,000 for the same period in 2007, mainly due to new companion diagnostic deals and testing.

Costs and profitability

Total research and development expenses for the first half of 2008 were EUR 5.8 million compared with EUR 5.2 million for the first half of 2007. This 12% increase was mainly driven by an expansion of clinical trials, particularly in the area of colorectal cancer screening.

Selling, general and administrative expenses increased to EUR 1.8 million in the first half of 2008 from EUR 1.4 million in H1 2007. This increase is mainly due to the expansion of the business development activities.

As a result of the expansion in R&D and business development activities, the total operating costs increased by 15% in H1 2008 compared to H1 2007;

The financial results of H1 2008 were fully in line with management's expectations.

Cash position

OncoMethylome's cash and cash equivalents amounted to EUR 25.4 million at June 30, 2008. In the first half of 2008, OncoMethylome's operating activities consumed EUR 5.9 million of cash, as compared to EUR 6.7 million in the first half of 2007.

VIII. CORPORATE INFORMATION

Registered office

OncoMethylome Sciences SA has the legal form of a public limited liability company (société anonyme - SA / naamloze vennootschap - NV) organized and existing under the laws of Belgium. The company's registered office is located at Tour 5 GIGA, Avenue de l'Hôpital 11, B-4000 Liège, Belgium.

The company is registered with the Registry of Legal Persons (registre des personnes morales - RPM / rechtspersonenregister – RPR) under company number RPM/RPR 0479.292.440 (Liège).

Listings

Euronext Brussels ONCOB
Euronext Amsterdam ONCOA

Financial calendar

November 6, 2008 – Q3 2008 business update
March 12, 2009 – Full year 2008 results
May 7, 2009 – Q1 2009 business update
May 29, 2009 – Annual general shareholders' meeting
August 27, 2009 – Half year 2009 results

Financial year

The financial year starts on 1 January and ends on 31 December.

Statutory auditor

BDO Atrio Bedrijfsrevisoren / Réviseurs d'entreprises CVBA/SCRL
Da Vincilaan 9
1935 Zaventem
Belgium

Availability of the Interim Report

This document is available to the public free of charge and upon request:
OncoMethylome Sciences - Investor Relations
Tour 5 GIGA, Avenue de l'Hôpital 11, B-4000 Liège, Belgium
Tel: +32 4 364 20 70
E-mail: ir@oncomethylome.com

For informational purposes, an electronic version of the Interim Report 2008 is available on the website of OncoMethylome at <http://www.oncomethylome.com/investors/financials.htm>