News Release

Theratechnologies Announces Financial Results for Second Quarter of 2015

Montreal, Canada – July 14, 2015 – Theratechnologies Inc. (Theratechnologies) (TSX: TH) today announced its financial results for the second quarter ended May 31, 2015.

Second quarter 2015 financial highlights

- Net sales of $7,076,000 representing quarter-over-quarter growth of 55 percent
- Net profit of $818,000 or $0.01 per share
- Adjusted EBITDA of $1,885,000
- Liquidities of $4,572,000

"Sustained sales growth in the United States allowed us to reach two important milestones in our second quarter, a net profit of over $800,000 and an Adjusted EBITDA of almost $2,000,000. I am pleased with the fact that the repatriation of commercial rights for *EGRIFTA*™ is proving to have such a positive impact in such a short timeframe," said Luc Tanguay, President and CEO, Theratechnologies Inc.

Second Quarter Financial Results

The financial results presented in this press release are taken from the Company's Management's Discussion and Analysis, or MD&A, and unaudited consolidated financial statements for the period ended May 31, 2015, which have been prepared in accordance with International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standards Board, or IASB. The MD&A for the second quarter ended May 31, 2015 and the unaudited consolidated financial statements can be found at www.theratech.com and www.sedar.com. Unless specified otherwise, all amounts in this press release are in Canadian dollars and all capitalized terms have the meaning ascribed thereto in our MD&A. As used herein, *EGRIFTA*™ refers to tesamorelin for the reduction of excess abdominal fat in HIV-infected patients with lipodystrophy. *EGRIFTA*™ is our trademark.

Regaining the US commercialization rights to *EGRIFTA*™ in 2014 has had a significant impact on our operations and key aspects of our financial reporting, rendering year-over-year performance comparisons less useful as a means of assessing the Company. As described below, revenue and selling and market development expenses are the accounting measures most affected by this change.

Revenue in fiscal 2015 is principally net sales of *EGRIFTA*™ to RxC Acquisition Company, or RxCrossroads, our exclusive distributor in the United States. These net

sales are at a significantly higher price than were the sales of *EGRIFTA*™ to EMD Serono, Inc., or EMD Serono, for re-sale in 2014. In addition, revenue in 2014 had two additional components that no longer apply as a consequence of the termination of the collaboration and licensing agreement with EMD Serono dated October 28, 2008, as amended, or the EMD Serono Agreement. The affected revenue components are the amortization of the initial payment received from EMD Serono and royalties on *EGRIFTA*™ sales by EMD Serono.

Consolidated revenue for the three- and six-month periods ended May 31, 2015 was $7,280,000 and $11,851,000 compared to $2,393,000 and $4,065,000 in the comparable periods of fiscal 2014.

Revenue generated from net sales in the three- and six-month periods ended May 31, 2015 was $7,076,000 and $11,643,000 compared to nil and $675,000 in the comparable periods of fiscal 2014. The significant increases in the current fiscal-year periods reflect the changes to the Company's business model referred to above and our subsequent sales success. In the comparable periods of fiscal 2014, sales to EMD Serono for re-sale were adversely affected by production difficulties, which have since been remedied.

In the three months ended May 31, 2015, we received an upfront payment of $200,000 from AOP Orphan Pharmaceuticals AG, our commercial partner in Europe. The amounts recorded as upfront and milestone payments in the three- and six-month periods ended May 31, 2014 are related to amortization of the initial payment received in relation to the EMD Serono Agreement. With the termination of this agreement on May 1, 2014, all of the unamortized balance of the initial payment was recognized as revenue at that time.

For the three- and six-month periods ended May 31, 2015, the **cost of sales** was $918,000 and $1,559,000 compared to $14,000 and $1,639,000 in the comparable periods of fiscal 2014. The cost of sales in the prior-year periods included unallocated production costs of $14,000 and $1,039,000 respectively.

Research & development or R&D expenses, in the three- and six-month periods ended May 31, 2015 were $1,388,000 and $2,508,000 compared to $2,121,000 and $3,417,000 in the comparable periods of fiscal 2014. The lower expenses in fiscal 2015 are principally due to lower patient participation in the two Phase 4 clinical trials currently being conducted as required by the FDA in connection with its approval of *EGRIFTA*™. The first trial is a long-term observational safety study, or Observational Study, and the second study is to assess whether *EGRIFTA*™ increases the incidence or progression of diabetic retinopathy in diabetic HIV-infected patients with lipodystrophy and excess abdominal fat, or Retinopathy Study. Our costs associated with the Observational Study amounted to $352,000 and $661,000 in the three- and six-month periods ended May 31, 2015 compared to $232,000 and $432,000 in the

comparable periods of 2014 when the study costs were shared with EMD Serono. The costs associated with the Retinopathy Study were $662,000 and $1,019,000 in the three- and six-month periods ended May 31, 2015 compared to $1,186,000 and $1,856,000 in the comparable periods of fiscal 2014.

Selling and market development expenses amounted to $2,537,000 and $5,053,000 for the three- and six-month periods ended May 31, 2015, compared to $2,148,000 and $3,527,000 in the comparable periods of fiscal 2014. There has been a significant increase in selling and market development activity related to our regaining the commercialization rights for *EGRIFTA™* in the United States market and these expenses can be expected to grow in step with growing sales volumes. In addition, selling and market development expenses now include the amortization of the intangible asset value established for the *EGRIFTA™* commercialization rights. This amortization expense amounted to $468,000 and $923,000 in the three- and six-month periods ended May 31, 2015. In the first and second quarters of fiscal 2014, selling and market development expenses were largely organization building and marketing initiatives in preparation for the repatriation of the *EGRIFTA™* commercialization rights.

General and administrative expenses amounted to $1,013,000 and $2,033,000 in the three- and six-month periods ended May 31, 2015, compared to $1,370,000 and $2,340,000 in the comparable periods of fiscal 2014. The higher expenses in 2014 were largely associated with professional fees.

Finance income for the three- and six-month periods ended May 31, 2015 was nil and $258,000 compared to $123,000 and $228,000 in the comparable periods of fiscal 2014. Interest revenue has trended lower due to a gradual decline in the portfolio size and liquidity is now invested in lower-yielding, short-term instruments. Finance income in the six months ended May 31, 2015 includes a gain of $188,000 on the renegotiation of the long-term obligation owed to EMD Serono under the terms of the EMD Serono Termination Agreement.

Finance costs for the three- and six-month periods ended May 31, 2015, were $606,000 and $1,042,000, including accretion expense of $635,000 and $1,209,000, respectively, on the long-term obligation owed to EMD Serono, partially offset by gains on financial instruments carried at fair value of $49,000 and $82,000 respectively.

Finance costs for the three-month period ended May 31, 2014 were $46,000 which included $170,000 of accretion expense on the long-term obligation owed to EMD Serono, partially offset by foreign exchange gains of $216,000. For the six-month period ended May 31, 2014, finance costs were $13,000, which was principally $170,000 of long-term obligation accretion expense, partially offset by foreign exchange gains of $196,000.

Adjusted EBITDA in the three months ended May 31, 2015 was $1,885,000 compared to the Adjusted EBITDA $(3,081,000) in the comparable period of fiscal 2014. For the six months ended May 31, 2015, the Adjusted EBITDA was $1,633,000 compared to the Adjusted EBITDA of $(5,710,000) in the comparable period of fiscal 2014. The significant improvement to the Adjusted EBITDA in 2015 is principally due to the changes in the Company's business model after regaining the U.S. commercialization rights to *EGRIFTA*™ in May 2014. For a reconciliation of net profit and Adjusted EBITDA, see Supplementary Information below.

Taking into account the revenue and expense variations described above, the **net profit** for the three-month period ended May 31, 2015 was $818,000, or $0.01 per share. In the comparable period of fiscal 2014, receipt of the $4,110,000 investment tax credit refund more than offset operating losses in the quarter and resulted in a net profit of $1,007,000, or $0.02 per share. For the six-month period ended May 31, 2015, the net loss was $96,000, or nil on a per share basis, compared to a net loss of $2,527,000 or $0.04 per share in the comparable period of fiscal 2014.

In the six-month period ended May 31, 2015, operating activities generated positive **cash flow** of $1,826,000, a significant improvement over the comparable period of 2014 when cash flow from operating activities was negative $5,779,000. In the three-month period ended May 31, 2015, $619,000 (US$500,000) was disbursed in respect to the long-term obligation and $771,000 was used for working capital purposes.

As at May 31, 2015, **liquidities**, which include cash and bonds, amounted to $4,572,000, up from $3,178,000 at November 30, 2014.

Reconciliation of net profit or loss to adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA)

Adjusted EBITDA is a non-IFRS financial measure. A reconciliation of the Adjusted EBITDA is presented in the table below. We use adjusted financial measures to assess our operating performance. Securities regulations require that companies caution readers that earnings and other measures adjusted to a basis other than IFRS do not have standardized meanings and are unlikely to be comparable to similar measures used by other companies. Accordingly, they should not be considered in isolation. We use Adjusted EBITDA to measure operating performance from one period to the next without the variation caused by certain adjustments that could potentially distort the analysis of trends in our business, and because we believe it provides meaningful information on our financial condition and operating results.

We obtain our Adjusted EBITDA measurement by adding to net profit or loss, finance income and costs, depreciation and amortization, income taxes, as well as federal investment tax credits recorded in 2014. We also exclude the effects of certain non-monetary transactions recorded, such as share-based compensation for stock option

plan and write down of inventories, for our Adjusted EBITDA calculation. We believe it is useful to exclude these items as they are either non-cash expenses, items that cannot be influenced by management in the short term, or items that do not impact core operating performance. Excluding these items does not imply they are necessarily nonrecurring. Share-based compensation costs are a component of employee remuneration and can vary significantly with changes in the market price of the Company's shares. In addition, other items that do not impact core operating performance of the Company may vary significantly from one period to another. As such, Adjusted EBITDA provides improved continuity with respect to the comparison of our operating results over a period of time. Our method for calculating Adjusted EBITDA may differ from that used by other companies.

Reconciliation of non-IFRS financial information

(in thousands of Canadian dollars)

	Three-month periods ended May 31,		**Six-month periods ended May 31,**	
	2015	2014	**2015**	2014
	$	$	**$**	$
Net profit (loss)	**818**	1,007	**(96)**	(2,527)
Add (deduct):				
Depreciation and amortization	**470**	158	**929**	172
Finance costs	**606**	(46)	**1,042**	(13)
Finance income	**0**	(123)	**(258)**	(228)
Share-based compensation for stock option plan	**25**	21	**40**	40
Federal investment tax credits	**0**	(4,110)	**0**	(4,110)
Income tax expenses	**0**	12	**10**	20
Writedown of inventories	**(34)**	0	**(34)**	936
Adjusted EBITDA	**1,885**	(3,081)	**1,633**	(5,710)

A conference call will be held today at 8:30 a.m. (ET) to discuss the results. The call will be hosted by Luc Tanguay, President and Chief Executive Officer. The conference call will be open to questions from financial analysts. Media and other interested individuals are invited to participate in the call on a "listen-only" basis.

The conference call can be accessed by dialling 1-877-223-4471 (North America) or 1-647-788-4922 (International). The conference call will also be accessible via webcast at http://www.gowebcasting.com/6597. Audio replay of the conference call will be available until August 4, 2015, by dialling 1-800-585-8367 (North America) or 1-416-621-4642 (International) and by entering the playback code 69702319.

About Theratechnologies

Theratechnologies (TSX: TH) is a specialty pharmaceutical company addressing unmet medical needs in metabolic disorders to promote healthy ageing and improved quality of life. Further information about Theratechnologies is available on the Company's website at www.theratech.com and on SEDAR at www.sedar.com.

Forward-Looking Information

This press release contains forward-looking statements and forward-looking information, or, collectively, forward-looking statements, within the meaning of applicable securities laws, that are based on our management's belief and assumptions and on information currently available to our management. You can identify forward-looking statements by terms such as "may", "will", "should", "could", "would", "outlook", "believe", "plan", "envisage", "anticipate", "expect" and "estimate", or the negatives of these terms, or variations of them. The forward-looking statements contained in this press release include, but are not limited to, statements regarding the growth of the *EGRIFTA*™ patient base in the United States, the increase in our revenues and expenses and seeking reimbursement from government-sponsored drug plans in Canada.

Forward-looking statements are based upon a number of assumptions and include, but are not limited to, the following: our activities in the United States will allow us to increase the patient base for *EGRIFTA*™, we will have continuous supply of *EGRIFTA*™, the United States Food and Drug Administration will not issue any order or decision having the effect of suspending the commercialization of *EGRIFTA*™ in the United States, government-sponsored drug plans in Canada will list *EGRIFTA*™ as a reimbursed drug, no additional clinical studies will be required by regulatory authorities outside of the United States to obtain regulatory approvals of *EGRIFTA*™, *EGRIFTA*™ will be accepted by the marketplace in territories outside of the United States and the relationships with our commercial partners and third-party suppliers will be conflict-free.

Forward-looking statements are subject to a variety of risks and uncertainties, many of which are beyond our control that could cause our actual results to differ materially from those that are disclosed in or implied by the forward-looking statements contained in this press release. These risks and uncertainties include, but are not limited to, the risk that sales of *EGRIFTA*™ in the United States decrease, the risk that *EGRIFTA*™ is not accepted in the Canadian marketplace, the risk that we are unable to supply *EGRIFTA*™ in the United States and in Canada because of increasing sales or because of manufacturing issues which would deplete our current inventory, the risk that *EGRIFTA*™ is subject to a recall and the risk that our operating expenses are materially adversely affected by unforeseen events. We refer potential investors to the "Risks Factors" section of our Annual Information Form dated February 25, 2015

available at www.sedar.com. The reader is cautioned to consider these and other risks and uncertainties carefully and not to put undue reliance on forward-looking statements. Forward-looking statements reflect current expectations regarding future events and speak only as of the date of this press release and represent our expectations as of that date.

We undertake no obligation to update or revise the information contained in this press release, whether as a result of new information, future events or circumstances or otherwise, except as may be required by applicable law.

-30-

Contact:
Denis Boucher
EXOCET Public Relations
514-913-1957