

November 13, 2013



Ceapro Reports Third Quarter 2013 Financial Results

EDMONTON, ALBERTA -- (Marketwired) -- 11/13/13 -- **November 13, 2013 - Ceapro Inc. (TSX VENTURE:CZO) ("Ceapro" or the Company)** today released its financial results for the three-month and nine-month periods ended September 30, 2013.

- Highest third quarter revenue in Ceapro's history; revenues increased by 56% or \$714,000 over third quarter of 2012.
- Income from operations of \$198,000 compared to a loss of \$114,000 in the third quarter of 2012.
- Net profit of \$123,000 compared to a net loss of \$137,000 in 2012.
- Highest nine months revenues in Ceapro's history; revenues increased by 27% or \$1,059,000 over the same period in 2012.
- Income from operations of \$446,000 compared to a loss of \$265,000 for the same period in 2012.
- Net profit of \$280,000 compared to a net loss of \$301,000 in 2012

FINANCIAL RESULTS FOR THE THIRD QUARTER AND THE FIRST NINE MONTHS ENDED SEPTEMBER 30, 2013

- **Revenues** were \$1,997,000 for the three-month period ended September 30, 2013, as compared to \$1,283,000 for the same period in 2012. For the first nine months, revenues were \$5,022,000 in 2013 compared to \$3,963,000 for the same period in 2012. These respective increase of 56% and 27% reflect higher sales volumes of Avenanthramides and oat oil.
- **Research and development Investments** were \$203,000 and \$568,000 for the three-month period and nine-month period ended September 30, 2013 as compared to \$298,000 and \$726,000 for the same periods in 2012. The decreased investment in 2013 compared to 2012 is due to grant recognition of discounted CAAP funding and grant contributions from Alberta Innovates Technology Future and a federal government program offset by significant increased expenses for regulatory and patents of \$150,000 incurred during the first nine months of 2013 for the issuance of several key patents.
- **General and Administration expenses** were \$393,000 and \$1,266,000 for the three-month period and nine-month period ended September 30, 2013 compared to \$431,000 and \$1,313,000 for the same periods in 2012. These respective decreases of \$38,000 and \$47,000 in 2013 as compared to 2012 are the result of decreased consulting engineer fees related to feasibility studies conducted in 2012 but not in 2013 and to lower legal expenses

- **Sales and Marketing expenses** were \$5,000 and \$74,000 for the three-month and nine-month period ended September 30, 2013 compared to \$33,000 and \$159,000 for the same periods in 2012. These decreases reflect lower travel costs for attendance at conferences and lower consulting costs for marketing studies
- **Income from Operations** was \$198,000 in the third quarter of 2013 in comparison with a loss of \$114,000 for the same period of 2012. For the first nine months of 2013, income from operations was \$446,000 compared to a loss of \$265,000 for the same period in 2012.
- **Net income/loss.** For the three-month period ended September 30, 2013, net income was \$123,000 versus a net loss of \$137,000 for the same period in 2012. For the first nine-months of 2013, Net income amounted to \$280,000 compared to a net loss of \$301,000 for the same period in 2012. The Company commenced in April 2013 paying rent on its new manufacturing facility which rent has been classified as "other operating loss" as the facility is not yet operational.

"We are very pleased with our 2013 year to date results showing an increase of revenues of \$1,059,000 or 26.7% compared to the first nine months of 2012 and showing a net profit of \$280,000 compared to a net loss of \$301,000 for the same period in 2012" said Gilles Gagnon, President and CEO. " This result, which includes the two highest quarterly revenues in Ceapro's history, is even more impressive considering they were achieved during a year where we are building a new facility which requires significant investment and resources" he added.

The complete financial statements are available for review on SEDAR at <http://sedar.com/Ceapro> and on the Company's website at www.ceapro.com .

About Ceapro Inc.

Ceapro Inc. is a Canadian growth-stage biotechnology company. Primary business activities relate to the development and commercialization of active ingredients for personal care and cosmetic industries using proprietary technology and natural, renewable resources. To learn more about Ceapro, visit www.ceapro.com.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

CEAPRO INC.

Consolidated Statements of Net Income (Loss) and Comprehensive Income (Loss)

Unaudited

		Quarters Ended		Nine Months Ended	
		September 30,		September 30,	
		2013	2012	2013	2012
		\$	\$	\$	\$
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Revenue	1,997,398	1,283,167	5,021,999	3,962,811
Cost of goods sold	1,155,535	609,261	2,551,124	1,947,172
Gross margin	841,863	673,906	2,470,875	2,015,639
Research and product development	203,191	297,087	567,640	726,701
General and administration	393,163	431,064	1,266,149	1,312,557
Sales and marketing	4,850	32,649	73,773	159,083
Finance costs (note 12)	42,361	27,172	117,004	81,834
Income (loss) from operations	198,298	(114,066)	446,309	(264,536)
Other operating loss (note 11)	(75,115)	(22,494)	(166,670)	(36,086)
Net income (loss) for the period	123,183	(136,560)	279,639	(300,622)
Other comprehensive loss				
Actuarial loss on employee future benefit obligation (note 7)	-	-	(16,916)	-
Total comprehensive income (loss) for the period	123,183	(136,560)	262,723	(300,622)
Net income (loss) per common share (note 18):				
Basic	0.002	(0.00)	0.005	(0.00)
Diluted	0.00	(0.00)	0.00	(0.00)
Weighted average number of common shares outstanding	60,278,948	60,278,948	60,278,948	60,278,948

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Source: Ceapro Inc.