

Flamel Technologies Transfers Intangible Property to Irish-Based Subsidiary in Global Reorganization

Lyon, France – December 16, 2014 – Flamel Technologies (NASDAQ: FLML) announced today that it is moving all intangible property from its French entity to its Irish-based entity as a part of a global reorganization. The intangible property includes patents on its drug delivery platform technologies, clinical data sets and other intangible assets related to its pipeline of proprietary products in development. Flamel's proprietary drug delivery platforms include its Micropump® (and its applications to the development of liquid formulations LiquiTime® and of abuse-deterrent formulations Trigger Lock™) and Medusa™ platforms. We anticipate the transfer will result in a one-time tax payment of approximately \$14 million to the French government.

“For operational reasons we believe this is the right time for the transfer of the intangible property to our Irish entity. After the divestiture of the Pessac facility, this allows us to reorganize our business on a global basis, with our R&D remaining in Lyon, our Clinical and Supply Chain functions to be headquartered in Ireland, and our Commercial organization to be centered in the United States. Our research teams in Lyon will operate on a contract basis for our Irish-based entity,” said Michael S. Anderson, Chief Executive Officer. “We are making this transfer at the right time for Flamel based on the current development stage of the pipeline's products and the strength of our balance sheet.”

The transfer of these assets is effectively immediately.

About Flamel Technologies - Flamel Technologies SA's (NASDAQ: FLML) business model is to blend high-value internally developed products with its leading drug delivery capabilities. The Company markets Bloxiverz® (neostigmine methylsulfate) and Vazculep™ (phenylephrine hydrochloride) in the US and licenses the Micropump-based microparticles technology to Recipharm AB for application to the manufacturing under FDA-audited GMP guidelines of Coreg CR® (carvedilol phosphate), marketed in the USA by GlaxoSmithKline. The Company has a proprietary pipeline of niche specialty pharmaceutical products, while its drug delivery platforms are focused on the goal of developing safer, more efficacious formulations of drugs to address unmet medical needs. Its pipeline includes chemical and biological drugs formulated with its Micropump® (and its applications to the development of liquid formulations LiquiTime® and of abuse-deterrent formulations Trigger Lock™) and Medusa™ proprietary drug delivery platforms. Several Medusa-based products have been successfully tested in clinical trials. The Company is headquartered in Lyon, France and has operations in St. Louis, Missouri, USA, and Dublin, Ireland. Additional information may be found at www.flamel.com.



Safe Harbor

This release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including certain plans, expectations, goals and projections regarding financial results, product developments and technology platforms. All statements that are not clearly historical in nature are forward-looking, and the words "anticipate," "assume," "believe," "expect," "estimate," "plan," "will," "may," and similar expressions are generally intended to identify forward-looking statements. All forward-looking statements involve risks, uncertainties and contingencies, many of which are beyond our control that could cause actual results to differ materially from those contemplated in such forward-looking statements. These risks include risks that the launch of Bloxiverz® and Vazculep™ will not be as successful as anticipated; our ability to bring other R&D projects of the former Éclat Pharmaceuticals to market may be unsuccessful; clinical trial results may not be positive or our partners may decide not to move forward; products in the development stage may not achieve scientific objectives or milestones or meet stringent regulatory requirements; products in development may not achieve market acceptance; competitive products and pricing may hinder our commercial opportunities; we may not be successful in identifying and pursuing opportunities to develop our own product portfolio using Flamel's technology; and the risks associated with our reliance on outside parties and key strategic alliances. These and other risks are described more fully in Flamel's Annual Report on Form 20-F for the year ended December 31, 2013 that has been filed with the Securities and Exchange Commission (SEC). All forward-looking statements included in this release are based on information available at the time of the release. We undertake no obligation to update or alter our forward-looking statements as a result of new information, future events or otherwise.

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