

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT Pursuant
to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of report (Date of earliest event reported): **October 9, 2015**

Enzo Biochem, Inc.
(Exact Name of Registrant as Specified in Its Charter)

New York
(State or Other Jurisdiction of Incorporation)

001-09974
(Commission File Number)

13-2866202
(IRS Employer Identification No.)

527 Madison Avenue
New York, New York
(Address of Principal Executive Offices)

10022
(Zip Code)

(212) 583-0100
(Registrant's Telephone Number, Including Area Code)

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry Into a Material Definitive Agreement

On October 9, 2015, Enzo Life Sciences, Inc. (“Enzo Life Sciences”), a wholly owned subsidiary of Enzo Biochem, Inc., executed a settlement with Affymetrix, Inc. involving payment of \$10 million to Enzo Life Sciences in an infringement action brought by Enzo Life Sciences regarding its U.S. Patent No. 7,064,197. This settlement resolving the disputes relating to this Litigation between Enzo Life Sciences and Affymetrix impacts only one of 11 cases originally brought by Enzo Life Sciences in the United States District Court for the District of Delaware alleging patent infringements against various companies, nine of which remain pending.

A copy of the press release is furnished as Exhibit 99.2 attached hereto and is incorporated by reference in its entirety into this Item 1.01 of this Current Report on Form 8-K.

Item 2.02. Results of Operations and Financial Condition.

On October 13, 2015, Enzo Biochem, Inc. (the “Company”) issued a press release announcing its operating results for its fourth fiscal quarter and year ended July 31, 2015. A copy of the press release is furnished as Exhibit 99.1 attached hereto and is incorporated by reference in its entirety into this Item 2.02 of this Current Report on Form 8-K.

In its press release, the Company discloses items not prepared in accordance with accounting principles generally accepted in the United States (“GAAP”), or non-GAAP financial measures (as defined in Regulation G promulgated by the U.S. Securities and Exchange Commission) that exclude certain significant charges or credits that are important to an understanding of the Company’s ongoing operations. The Company believes that its inclusion of non-GAAP financial measures provides useful supplementary information to and facilitates analysis by investors in evaluating the Company’s performance and trends. The determination of significant charges or credits may not be comparable to similar measures used by other companies and may vary from period to period. The Company uses both GAAP financial measures and the disclosed non-GAAP financial measures internally to evaluate and manage the Company’s operations and to better understand its business. These non-GAAP financial measures are in addition to, not a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP.

Non-GAAP net income, non-GAAP earnings per share, and adjusted EBITDA are supplemental measures of our performance that are not required by, or presented in accordance with, GAAP. We define non-GAAP net income as consolidated net income / (loss) for such period adjusted for the following net of tax (i) litigation charges and settlements, (ii) business restructuring or other restructurings of a similar nature, and (iii) other unusual charges or expenses. We define adjusted EBITDA as an amount equal to consolidated net income / (loss) for such period adjusted for the following (i) interest expense, (ii) interest income, (iii) provision for income taxes, (iv) depreciation and amortization expenses, (v) litigation charges and settlements, (vi) business restructuring charges or other restructurings of a similar nature, and (vii) other unusual charges or expenses.

Item 7.01. Regulation FD Disclosure.

The information provided in Item 2.02 of this Current Report on Form 8-K is incorporated herein by reference in its entirety.

The information discussed under Item 2.02 and Item 7.01 above, including Exhibit 99.1, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or incorporated by reference in any filing by the Company under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

The information in this report (including the exhibits) is furnished pursuant to Item 2.02 and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”), nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.**(d) Exhibits.**

10.1 Settlement and License Agreement between Enzo Life Sciences, Inc., and Affymetrix, Inc.
99.1 Press Release of Enzo Biochem, Inc., dated October 13, 2015.
99.2 Press Release of Enzo Biochem, Inc., dated October 13, 2015

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ENZO BIOCHEM, INC.

Date: October 13, 2015

By: /s/ Barry W. Weiner
Barry W. Weiner
President

SETTLEMENT AND LICENSE AGREEMENT

This SETTLEMENT AND LICENSE AGREEMENT (this “Agreement”) is made and entered into as of the date of the last signature required by this Agreement (the “Effective Date”) by and between Plaintiff **Enzo Life Sciences, Inc.**, a corporation organized and existing under the laws of the State of New York, having offices at 10 Executive Boulevard, Farmingdale, NY 11735 (“Enzo”) and Defendant **Affymetrix, Inc.**, a corporation organized and existing under the laws of the State of Delaware, having offices at 3420 Central Expressway, Santa Clara, CA 95051 (“Affymetrix”). Enzo and Affymetrix are individually referred to herein as a “Party,” and collectively as the “Parties.”

WITNESSETH

WHEREAS, Enzo has alleged that Affymetrix infringes U.S. Patent No. 7,064,197 (“the ‘197 patent’”) in an action styled *Enzo Life Sciences, Inc. v. Affymetrix, Inc.*, No. 1:12-cv-433-LPS, pending in the United States District Court for the District of Delaware (the “Litigation”); and

WHEREAS, Affymetrix denies all liability in the Litigation; and

WHEREAS, Affymetrix has alleged that it does not infringe the ‘197 patent, and further, that the ‘197 patent is invalid and unenforceable; and

WHEREAS, Enzo disputes Affymetrix’s allegations of invalidity, unenforceability, and non-infringement; and

WHEREAS, the Parties now desire to settle the Litigation and to provide and receive certain releases, licenses and covenants not to sue, all on the terms and conditions set forth herein; and

WHEREAS, this Agreement reflects a settlement and compromise between the parties under Federal Rule of Evidence 408 with respect to Enzo’s claims and Affymetrix’s defenses in the Litigation, including without limitation on the disputed issues of patent validity, enforceability, and infringement;

NOW, THEREFORE, in consideration of the above recitals and the mutual covenants hereinafter contained, the Parties agree as follows:

SECTION 1: DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings:

“Affiliate” means, with respect to a Party, all future wholly-owned subsidiaries of such Party that are created by the Party in the ordinary course of business or as a result of an internal reorganization of the Party (e.g., not an acquisition of, acquisition by, or merger with another Person) and only for so long as that entity is a wholly-owned subsidiary of such Party and any Person that, as of the Effective Date, is directly or indirectly controlling, controlled by, or under common control with, such Party. For purposes of this Agreement, “control” means the ability to control the direction of the management and operations of the subject Person, whether through

ownership, contract or otherwise. Control will be presumed where a Party has ownership of 50% or more of the outstanding voting shares of the Person. Notwithstanding anything to the contrary herein, the following Persons are not, and cannot be considered, Affiliates of Affymetrix for the purposes of this Agreement so long as any patent infringement litigation or royalty obligation concerning the Licensed Enzo Patent remains pending between Enzo and that Person (or any Affiliate of that Person): Abbott Laboratories; Abbott Molecular, Inc.; Agilent Technologies, Inc.; Becton, Dickinson and Company; Becton, Dickinson Diagnostics, Inc.; Geneohm Sciences, Inc. (now part of Becton Dickinson); Gen-Probe, Inc. (now part of Hologic, Inc.); Hologic, Inc.; Illumina, Inc.; Life Technologies Corporation (now part of Thermo Fisher Scientific, Inc.); Roche Molecular Systems, Inc. (part of Hoffmann-La Roche AG); Roche Diagnostics Corporation (part of Hoffmann-La Roche AG); Roche Diagnostics Operations Inc. (part of Hoffmann-La Roche AG); and Roche Nimblegen, Inc. (part of Hoffmann-La Roche AG); or their respective Affiliates.

“Licensed Affymetrix Products” means any past, current and future products and services, product lines, devices, systems, assays, components, kits, hardware, software, or any combination of the foregoing which are made, used, sold, offered for sale, or imported by Affymetrix or its Affiliates that, but for the license granted in this Agreement, would infringe a Valid Claim of the Licensed Enzo Patent.

“Licensed Enzo Patent” means (i) U.S. Patent No. 7,064,197; (ii) any patents and patent applications claiming priority to or through, or sharing a common priority claim with, any of the foregoing; and (iii) any foreign counterparts, re-issues, re-examinations, renewals, substitutes, claim amendments made in post-grant proceedings including IPR and PGR proceedings, extensions, continuations, continuations-in-part, continuing prosecution applications, divisionals, and national phase filings of any patents and patent applications covered in subparts (i) and (ii).

“Person” means an individual, trust, corporation, partnership, joint venture, limited liability company, association, unincorporated organization, or other legal entity.

“Third Party” means any Person or entity other than the Parties to this Agreement and their Affiliates.

“Covered Third Party Accused Products” means Third Party products and services that include as an element thereof any Licensed Affymetrix Products.

“Valid Claim” means a claim of an issued patent that has not expired or been finally held invalid or unenforceable by a court or administrative body of competent jurisdiction from which no appeal can be or is taken.

SECTION 2: LICENSE, RELEASES, AND COVENANTS

2.1 License. Subject to the terms and conditions hereof, including Affymetrix’s timely payment of the Payment under Section 3.1, Enzo hereby grants to Affymetrix and its Affiliates a fully paid-up non-exclusive, non-transferable (except as set forth in Section 5), worldwide license under the Licensed Enzo Patent to make, have made, use, import, export, distribute, sell, offer for

sale, and practice all processes and methods in connection with, the Licensed Affymetrix Products.

Affymetrix shall not have the right to sublicense or otherwise grant, in whole or in part, licenses under the Licensed Enzo Patent. The license granted herein shall not extend to cover any products of a Third Party that acquires or is acquired by Affymetrix or its Affiliates (whether by merger, consolidation, share acquisition, or acquisition of all or substantially all assets or otherwise), including without limitation for products made, used, imported, exported, distributed, sold, offered for sale, developed, advertised, and practiced by such Third Party before the date of such acquisition. The license granted herein shall not include any rights to the Licensed Enzo Patent other than those expressly provided by this section. No license or immunity is granted under this Agreement by Enzo, either directly or by implication, estoppel, or otherwise, to any Person acquiring Licensed Affymetrix Products for the modification or combination by such Person of Licensed Affymetrix Products with other items other than in the ordinary manner in the ordinary course of use of Licensed Affymetrix Products, or as specified in Sections 2.2 and 2.3, or as otherwise permitted by the law of patent exhaustion.

2.2 Enzo Release of Affymetrix. Subject to the terms and conditions hereof, including Affymetrix's timely payment of the Payment under Section 3.1, Enzo, on behalf of itself and its Affiliates, releases, acquits and absolutely and forever discharges Affymetrix and its Affiliates, and each of their officers, directors, managers, employees, agents, and attorneys ("Affymetrix Released Persons") from any claim, counterclaim, demand, allegation, damage, loss, debt, liability, account, reckoning, indemnity, obligation, cost, expense, lien, attorneys' fee, any other action or cause of action of any kind or nature, whether now known or unknown, suspected or unsuspected, matured or unmatured, asserted or unasserted, in law or equity, for (i) infringement of the Licensed Enzo Patent to the extent related to the business of Affymetrix and occurring before the Effective Date; (ii) the claims, defenses, and counterclaims asserted in, and the conduct of, the Litigation; and (iii) the conduct of settlement negotiations (except for representations or obligations expressly included in this Agreement). Enzo also provides a limited release to customers, distributors, or users of any Licensed Affymetrix Products for any claim, based on conduct occurring before the Effective Date, of infringement of the Enzo Licensed Patent by Licensed Affymetrix Products and Covered Third Party Accused Products but only to the extent that Affymetrix's own conduct with respect to such customer, distributor, or user infringement would give rise to a colorable claim against Affymetrix for direct or indirect infringement under 35 U.S.C. §§ 271(a), (b), (c), and/or (f) (and/or a claim based on the same types of indirect infringement theories asserted against Affymetrix in the Litigation) but for the licenses, releases, and covenants granted to Affymetrix herein. For the avoidance of doubt, to the extent any customers, distributors, or users of any Licensed Affymetrix Product infringe the Enzo Licensed Patent for any reason that would not also give rise to a colorable claim against Affymetrix for direct or indirect infringement under 35 U.S.C. §§ 271(a), (b), (c), and/or (f) (and/or a claim based on the same types of indirect infringement theories asserted against Affymetrix in the Litigation) but for the licenses, releases, and covenants granted to Affymetrix herein, such infringement is not released hereunder.

The scope of this release is fixed as of the Effective Date. Except as expressly set forth herein, this release shall not apply to any Person, including without limitation any Third Party, or any

business, assets, or products thereof, acquired by Affymetrix or its Affiliates (whether by merger, consolidation, share acquisition, or acquisition of all or substantially all assets or otherwise) after the Effective Date.

2.3 Limited Enzo Covenant Not To Sue On Covered Third Party Accused Products Subject to the terms and conditions hereof, including Affymetrix's timely payment of the Payment under Section 3.1, Enzo, on behalf of itself and its Affiliates, covenants during the term of this Agreement not to sue Affymetrix's distributors, customers, and users for (i) infringement of the Licensed Enzo Patent by a Licensed Affymetrix Product, or (ii) infringement of the Licensed Enzo Patent by a Covered Third Party Accused Product using or containing a Licensed Affymetrix Product, but only to the extent that Affymetrix's own conduct with respect to such customer, distributor, or user infringement would give rise to a colorable claim against Affymetrix for direct or indirect infringement under 35 U.S.C. §§ 271(a), (b), (c), and/or (f) (and/or a claim based on the same types of indirect infringement theories asserted against Affymetrix in the Litigation) but for the licenses, releases, and covenants granted to Affymetrix herein. For the avoidance of doubt, to the extent any customers, distributors, or users of any Licensed Affymetrix Product infringe the Enzo Licensed Patent for any reason that would not also give rise to a colorable claim against Affymetrix for direct or indirect infringement under 35 U.S.C. §§ 271(a), (b), (c), and/or (f) (and/or a claim based on the same types of indirect infringement theories asserted against Affymetrix in the Litigation) but for the licenses, releases, and covenants granted to Affymetrix herein, this covenant does not apply. This covenant not to sue is non-assignable by Affymetrix or by any of Affymetrix's distributors, customers, and users who benefit from this covenant not to sue.

2.4 Affymetrix Release of Enzo. Affymetrix, on behalf of itself and its Affiliates, releases, acquits and absolutely and forever discharges Enzo and its Affiliates, and each of their officers, directors, shareholders, managers, employees, agents, and attorneys from any claim, counterclaim, demand, allegation, damage, loss, debt, liability, account, reckoning, indemnity, obligation, cost, expense, lien, attorneys' fee, any other action or cause of action of any kind or nature, whether now known or unknown, suspected or unsuspected, matured or unmatured, asserted or unasserted, in law or equity, arising out of or related to: (i) infringement of the Licensed Enzo Patent to the extent occurring before the Effective Date; (ii) the claims and defenses asserted in, and the conduct of, the Litigation; and (iii) the conduct of settlement negotiations (except for representations or obligations expressly included in this Agreement).

2.5 Covenant Not to Challenge. After the Effective Date and for so long as Affymetrix's license is in force, Affymetrix further covenants that, except as (1) required by law or (2) in defense of an action for infringing the Licensed Enzo Patent brought against it or its Affiliates, or against its or their agents, representatives, suppliers, vendors, contractors, manufacturers, distributors, licensees, resellers, licensees, users, and customers (direct or indirect) involving any Licensed Affymetrix Products, it shall not knowingly and voluntarily contest (or assist in the contest) in any forum, including Federal Courts, whether under 28 U.S.C. §§ 2201-2202 or not, the United States Patent and Trademark Office, and/or the International Trade Commission, that the Licensed Enzo Patent is valid and enforceable; provided, however, nothing in this Agreement shall prevent Affymetrix or its Affiliates from complying with or responding to any court or governmental order or subpoena relating to the Licensed Enzo Patent. Notwithstanding the

foregoing, nothing in this Agreement will preclude Affymetrix and its Affiliates from making any disclosure, providing information or producing documents as required by law, court order or legal process (including, without limitation, litigation related to discovery and/or subpoena), even if made in connection with a proceeding challenging the validity or enforceability of one or more of the Licensed Enzo Patent, and any such disclosure will not be considered a breach of this Agreement. It is understood that Affymetrix's and its Affiliates' providing factual statements regarding Licensed Affymetrix Products or any Third Party products containing them in response to a validly propounded subpoena will not be considered as assisting in the contest as used above. Affymetrix reserves the right to raise any and all defenses and counterclaims, including, but not limited to, invalidity and unenforceability of the Licensed Enzo Patent, and to otherwise contest the validity and enforceability of the Licensed Enzo Patent in any forum, that it could have raised in the Litigation, if the Licensed Enzo Patent is asserted based on Licensed Affymetrix Products or Third Party products containing them against Affymetrix, its Affiliates, customers, licensees, partners or users after the Effective Date; and Enzo reserves the right to raise any and all claims and defenses in opposition.

2.6 Limited Standstill. Each Party agrees that it shall not, and that it shall cause each of its Affiliates or representatives not to, file or otherwise bring any action or lawsuit alleging patent infringement against the other Party for a period of three (3) years after the Effective Date of this Agreement or until the termination of this Agreement, whichever is earlier ("Standstill Period"). Nothing in this Section 2.6 shall enlarge or otherwise modify the licenses, releases, or covenants set out in this Agreement. The foregoing provision is personal to the Parties, is non-assignable (except as set forth in Section 5.2), and does not apply to any other Person. Further, it shall not prevent either Party from engaging in discussions with the other Party or any other Person regarding the licensing of its patents or from enforcing its patents against any Person other than a Party. During this Standstill Period, any patent infringement claim that one Party has against the other shall be tolled and any damages will accrue and be recoverable to the full extent permitted by 35 U.S.C. § 286. For clarity, nothing shall prevent the Parties from seeking damages after the Standstill Period terminates for patent infringement occurring during the Standstill. If either Party violates this Standstill agreement, the other Party shall be free to immediately end the Standstill Period. If a complaint for patent infringement is filed after expiration of the Standstill Period, no Party may rely on the Standstill Period as a basis for any claim, counterclaim, or defense, including without limitation an assertion of laches. Notwithstanding the foregoing, a Party still may assert any claim, counterclaim, or defense available, including without limitation an assertion of laches, to the extent it does not specifically rely on the Standstill Period as a basis. For the avoidance of doubt, nothing in this provision or any other provision of this Agreement shall prevent either Party from intervening in patent litigation between the other Party and a Third Party based on any indemnity or other contractual obligation that either Party owes to such Third Party.

2.7 Acquisitions. The licenses, releases, and covenants set forth above shall exclude any products of another Person that is acquired (whether by merger, consolidation, share acquisition, or acquisition of all or substantially all assets or otherwise) by Affymetrix or its Affiliates on or after the Effective Date.

2.8 Modifications and Combinations In Manner Other Than Ordinary Course. No license or immunity is granted under this Agreement by Enzo, either directly or by implication, estoppel, or otherwise, to any Person acquiring Licensed Affymetrix Products for the modification or combination by such Person of Licensed Affymetrix Products with other items other than in the ordinary and intended manner in the ordinary course of use of Licensed Affymetrix Products, or as specified by Sections 2.2 and 2.3, or as otherwise permitted by the law of patent exhaustion.

2.9 No Extinguishment Of Other Outstanding Royalty Obligations. For the avoidance of doubt, nothing in this Agreement shall operate to extinguish the obligation of any Person to pay royalties to Enzo arising from an obligation outside of this Agreement (including via contract, operation of law, judicial ruling, or otherwise).

2.10 No Other Rights. No rights or covenants are granted under any patents except as expressly provided herein, whether by implication, estoppel or otherwise. No right to grant covenants, rights, sublicenses, or to become a foundry for Third Parties is granted under this Agreement. The Parties agree that, except as expressly set forth herein, the licenses, releases and covenants set forth in this Agreement (including Section 2) expressly exclude any methods, systems, products, services and/or components of any Third Party. The Parties further agree that, except as expressly provided herein, this Agreement does not cut off Enzo's rights to enjoin, control or extract royalties with respect to such Third Party's methods, systems, products, services and/or components.

SECTION 3: MONETARY CONSIDERATION

3.1 Payment. As partial consideration for this Agreement and the dismissal by Enzo of the Litigation hereunder, Affymetrix agrees to pay to Enzo a total of ten million U.S. Dollars (\$10,000,000.00) ("Payment"), payable by Affymetrix to Enzo no later than ten (10) business days following the Effective Date of this Agreement in lawful money of the United States, in immediately available funds, by wire transfer to the following account: # # #

3.2 Taxes / Costs. Each Party acknowledges that this Agreement may have U.S. federal and state tax (collectively, "Tax") or other consequences, and that the Party is not relying on any other Party for advice, representations or communications as to any potential Tax or other consequences. This Agreement is enforceable regardless of its Tax or other consequences. The Parties agree that they shall bear their own costs and attorneys' fees relating to or arising from the Litigation and to the documentation and negotiation of this Agreement.

3.3 Dismissal. Within three (3) court days after the Payment of the consideration to Enzo under this Section 3 has cleared, the Parties shall cause their respective counsel to execute and file the stipulated motion in the form set forth in **Exhibit A** dismissing with prejudice all of Enzo's claims against Affymetrix in the Litigation. The Parties shall promptly proceed with any and all additional procedures needed to dismiss the Litigation as set forth above, with each Party to bear its own costs and attorneys' fees. The Parties also agree to submit to the court appropriate stipulations and proposed orders for extensions of time for all due dates in the Litigation so that neither Party is required to incur unnecessary expenses in the Litigation between the Effective Date and the date the Litigation is dismissed. The Parties acknowledge and agree that this Agreement is enforceable according to its terms with respect to final dismissal with prejudice of all claims and counterclaims in the Litigation.

3.4 No Admission of Liability. This Agreement is the result of a compromise and will not at any time be considered as an admission of liability or responsibility, or lack thereof, on the part of Enzo or Affymetrix. By entering into this Agreement, neither Affymetrix nor any of its Affiliates is conceding that it acted wrongfully in any fashion whatsoever. Except as expressly set forth in Section 3.1, Affymetrix and its Affiliates expressly deny that they are liable to Enzo in any way.

3.5 Full Settlement. The Parties agree that this Agreement is in full and complete settlement of the rights and obligations of the Parties in connection with the Litigation. This Agreement may be pleaded as a defense to any action, suit or claim and may be used as a basis for an injunction against any such action, suit, claim, or other proceeding of any type which may be prosecuted, initiated or attempted in violation of the terms hereof. A Party is entitled to recover from the other adverse party reasonable attorneys' fees and other related legal expenses incurred in defending against any suit, action or claim brought or attempted by the other party in violation of the terms of this Agreement.

SECTION 4: TERM AND TERMINATION

4.1 Term. The term of this Agreement shall commence upon the Effective Date and shall continue until the expiration of the enforceability period of the Licensed Enzo Patent, unless earlier terminated as set forth in Section 4.2 below.

4.2 Termination. If Affymetrix fails to make the payment set forth in Section 3.1 in the time frame required by Section 3.1, then Enzo may terminate this Agreement immediately upon further written notice to that effect and the license, releases, and covenants granted by Section 2 of this Agreement shall immediately terminate, be deemed null and void *ab initio*, and be of no force and effect.

SECTION 5: ASSIGNMENT

5.1 Assignment. The license and other rights granted by Enzo in this Agreement are personal to Affymetrix. Except as otherwise permitted in this Section, Affymetrix may not assign, delegate, or otherwise transfer this Agreement or any license or rights hereunder without the prior written consent of Enzo. The limitations on assignment set forth in Section 5 do not apply to an internal

reorganization of a Party or its Affiliates (re-incorporation or the like). Any other purported assignment, delegation, or transfer without the prior written consent of Enzo will be null and void *ab initio* and without effect. Nothing herein expressed or implied will give or be construed to give any Person who is not a Party any legal or equitable rights hereunder.

5.2 Permitted Assignment by Affymetrix. Notwithstanding the provisions of Section 5.1, Affymetrix may assign its rights under this Agreement, in whole or in part, without Enzo's prior written or oral consent, to a Person with whom Affymetrix is merged or consolidated, or who acquires all or substantially all of Affymetrix's business subject to the Litigation; provided however, that (1) this Agreement shall not be assigned to multiple Persons; (2) any such assignment of rights will not extend to products or services of such Person that pre-existed the acquisition (or natural evolutions or extensions thereafter); (3) any such assignment of rights shall not relieve such Person from any obligations that such Person may have under this Agreement; and (4) Affymetrix obtains from such Person a written agreement to be bound by the terms and conditions of this Agreement and furnishes the same to Enzo. In the event that Affymetrix does not continue to exist as a distinct operating entity (such as a wholly-owned subsidiary) after the transaction, the rights of Affymetrix hereunder so assigned only extend to Licensed Affymetrix Products existing as of the date of the transaction and natural evolutions of Licensed Affymetrix Products created after the date of the transaction, and will not otherwise extend to any products, services, or activities of the Person prior to, on or after the date of the transaction. The releases and covenants provided by Affymetrix and its Affiliates shall run with the rights being assigned or transferred and shall be binding on any permitted successors-in-interest, transferees, or assigns thereof. For avoidance of doubt, any such assignment of rights will not extend to any Third Party products or services existing prior to the time of transaction or natural evolutions or extensions thereof. Any purported assignment, delegation, or transfer under this Section 5.2 that does not comply with the foregoing will be null and void *ab initio* and without effect.

5.3 Further Restriction on Assignment by Affymetrix: Notwithstanding the provisions of Sections 5.1 and 5.2, in no event may this Agreement, including the license and rights granted hereunder, be assigned, delegated, or otherwise transferred without Enzo's prior written consent to any of the following: Abbott Laboratories; Abbot Molecular, Inc.; Agilent Technologies, Inc.; Becton, Dickinson and Company; Becton, Dickinson Diagnostics, Inc.; Geneohm Sciences, Inc. (now part of Becton Dickinson); Gen-Probe, Inc. (now part of Hologic, Inc.); Hologic, Inc.; Illumina, Inc.; Life Technologies Corporation (now part of Thermo Fisher Scientific, Inc.); Roche Molecular Systems, Inc. (part of Hoffmann-La Roche AG); Roche Diagnostics Corporation (part of Hoffmann-La Roche AG); Roche Diagnostics Operations Inc. (part of Hoffmann-La Roche AG); and Roche Nimblegen, Inc. (part of Hoffmann-La Roche AG); or any of the respective Affiliates of any of the foregoing (each a "Restricted Entity"), so long as any patent infringement litigation concerning the Enzo Licensed Patent remains pending between Enzo and the respective aforementioned Restricted Entities. For the avoidance of doubt, a Restricted Entity's acquisition of Affymetrix by stock purchase, reverse triangular merger, or similar transaction does not constitute an assignment of the Agreement by Affymetrix where Affymetrix (or its successor entity) continues to exist as a distinct operating entity (for example, as a wholly-owned subsidiary of the Restricted Entity) after the date of the acquisition, provided

that the licenses, covenants, and releases granted herein shall extend only to Licensed Affymetrix Products existing as of the date of the acquisition and will not otherwise extend to any products, services, or activities of the acquiring Restricted Entity prior to, on or after the date of the acquisition.

5.4 Permitted Assignment by Enzo. All license rights and covenants contained herein shall run with the Licensed Enzo Patent, as it applies to the license rights and covenants contained in Sections 2.1 through 2.6, inclusive, and shall be binding on any successors-in-interest or assigns thereof. Any assignment of the Licensed Enzo Patent to any other Person shall be subject to this Agreement.

SECTION 6: MISCELLANEOUS PROVISIONS

6.1 Representations:

6.1.1 Plaintiff Representations: Enzo represents and warrants that: (i) as of the Effective Date, Enzo and/or its Affiliates own the Licensed Enzo Patent, and have the right to grant the license, releases and covenants with respect to the Licensed Enzo Patent set forth herein; (ii) as of the Effective Date, it has not assigned or otherwise transferred to any other Person any rights to the Licensed Enzo Patent that would prevent Enzo from conveying the rights set forth herein; and (iii) the person executing this Agreement on behalf of Enzo has the full right and authority to enter into this Agreement on Enzo's behalf.

6.1.2 Affymetrix Representations: Affymetrix represents and warrants that: (i) as of the Effective Date, Affymetrix has the right to grant the releases and covenants set forth herein; and (ii) the person executing this Agreement on behalf of Affymetrix has the full right and authority to enter into this Agreement on Affymetrix's behalf.

6.1.3 Disclaimer of Representation. Nothing in this Agreement shall be construed as (i) a representation or warranty by Enzo as to the scope, validity, or enforceability of any patent; (ii) a representation or warranty that the manufacture, use, or sale of any products will not utilize or infringe any intellectual property rights; and (iii) any obligation by Enzo to pay annuities or otherwise maintain any patents in force in any country.

6.2 Confidentiality. From and after the Effective Date, neither Party shall disclose the existence or terms of this Agreement except:

6.2.1 with the prior written consent of the other Party;

6.2.2 to any governmental body having jurisdiction and specifically requiring such disclosure;

6.2.3 in response to a valid document request or subpoena or as otherwise may be required by law, legal process or order of a court, provided a protective order is in place that limits disclosure of such information to outside counsel only and the disclosing Party provides the other Party with written notice at least ten (10) business days prior to disclosure to permit the

other Party the opportunity to object and/or to seek a court-entered protective order or comparable court-ordered restriction, and shall reasonably cooperate with the other Party in its efforts to obtain that protective order and take all other reasonable actions in an effort to minimize the nature and extent of such disclosure and obtain confidential treatment to the extent available;

6.2.4 for the purposes of disclosure in connection with the Securities and Exchange Act of 1934, as amended, the Securities Act of 1933, as amended, and any other reports filed with the Securities and Exchange Commission (expressly including, but not limited to, Form 8K disclosures), or any other filings, reports or disclosures that may be required under applicable laws or regulations;

6.2.5 to a Party's accountants, legal counsel, tax advisors and other financial and legal advisors and other professional advisors in their capacity of advising the party in such matters, subject to obligations of confidentiality and/or privilege at least as stringent as those contained herein;

6.2.6 with obligations of confidentiality at least as stringent as those contained herein, to a counterparty in connection with a proposed merger, acquisition, financing or similar transaction.

6.2.7 in connection with tax audits or to fulfill its corporate financial reporting obligations under GAAP;

6.2.8 with obligations of confidentiality at least as stringent as those contained herein, by any Party and its Affiliates as required to enforce this Agreement or establish rights hereunder;

6.2.9 to officers, key shareholders and/or employees with a need to know, attorneys, accountants and directors, who are under obligations of confidentiality (which may include professional responsibility obligations) at least as stringent as those contained herein; and

6.2.10 to its Affiliates, who are similarly bound by this Agreement or under obligations of confidentiality at least as stringent as those contained herein.

6.2.11 to Third Parties who make, sell, offer to sell, export, import, or distribute any Licensed Affymetrix Product or who make, sell, for offer to sell any Covered Third Party Accused Product, and who have a need to know, under obligations of confidentiality at least as stringent as those contained herein.

Notwithstanding anything else in this Agreement to the contrary, a Party may also disclose to anyone any information that is publicly available, through no breach by any Party of the confidentiality obligations hereunder.

6.3 Notices. All notices required or permitted to be given hereunder shall be in writing and shall be delivered by hand, or, if dispatched by prepaid air courier, with package tracing capabilities or by registered or certified airmail, postage prepaid, addressed as follows:

If to Enzo:

Dr. Elazar Rabbani
Enzo Life Sciences, Inc.
527 Madison Avenue
New York, NY 10022

Copy to (which does not constitute notice):

Michael Stadnick
Desmarais LLP
230 Park Avenue
New York, NY 10169

If to Affymetrix:

Siang Chin
Senior Vice President and General Counsel
Affymetrix, Inc.
3420 Central Expressway
Santa Clara, CA 95051

Copy to (which does not constitute notice):

Peter Root
Kaye Scholer LLP
Two Palo Alto Square, Suite 400
3000 El Camino Real
Palo Alto, CA 94306

Such notices shall be deemed to have been served when received by addressee. Either Party may give written notice of a change of address and, after notice of such change has been received, any notice or request shall thereafter be given to such Party as above provided at such changed address.

6.4 Publicity. Neither party will issue a press release or any other public announcement regarding this Agreement or the settlement of the Litigation unless the other Party provides prior consent in writing. Notwithstanding the foregoing and Section 6.2 above, upon inquiry either Party may state that Enzo and Affymetrix have entered into a settlement agreement.

6.5 Governing Law / Jurisdiction. This Agreement and matters connected with the performance thereof shall be construed, interpreted, applied and governed in all respects in accordance with

the laws of the United States of America and the State of Delaware, without reference to conflict of laws principles. Enzo and Affymetrix agree (a) that all disputes and litigation regarding this Agreement, its construction and matters connected with its performance be subject to the exclusive jurisdiction of the state and federal courts in the District of Delaware (the “Court”), and (b) to submit any disputes, matters of interpretation, or enforcement actions arising with respect to the subject matter of this Agreement exclusively to the Court. The Parties hereby waive any challenge to the jurisdiction or venue of the Court over these matters.

6.6 Sophisticated Parties Represented by Counsel. The Parties each warrant and represent that (i) they are sophisticated parties represented at all relevant times during the negotiation and execution of this Agreement by counsel of their choice, and that they have executed this Agreement with the consent and on the advice of such independent legal counsel; (ii) they and their counsel have determined through independent investigation and robust, arm’s-length negotiation that the terms of this Agreement shall exclusively embody and govern the subject matter of this Agreement, (iii) it investigated the facts pertinent to this Agreement as it deemed necessary, (iv) no other Person or Party, nor any agent or attorney of a Party, made any promise, representation or warranty whatsoever, express or implied, not contained in this Agreement concerning the subject matter of this Agreement to induce it to execute this Agreement, (v) it has not executed this Agreement in reliance on any promise, representation or warranty whatsoever, express or implied, not contained in this Agreement concerning the subject matter of this Agreement, and (vi) it has not executed this Agreement in reliance on any promise, representation or warranty not contained herein. The Parties included this paragraph to preclude any claim that any Party was fraudulently induced to execute this Agreement and to preclude the introduction of parol evidence to vary, interpret, supplement or contradict the terms of this Agreement.

6.7 Bankruptcy. The Parties acknowledge and agree that all rights and licenses granted by Enzo under or pursuant to this Agreement are, and will otherwise be deemed to be, for purposes of Section 365(n) of the United States Bankruptcy Code, as amended (the “Bankruptcy Code”), licenses of rights to “intellectual property” as defined under Section 101 of the Bankruptcy Code. The Parties agree that, notwithstanding anything else in this Agreement, Affymetrix and its Affiliates, as the licensee of such intellectual property rights under this Agreement, will retain and may fully exercise all of its rights and elections under the Bankruptcy Code (including, without limitation, a Affymetrix and its Affiliates’ right to the continued enjoyment of the rights and licenses granted by Enzo under this Agreement). Notwithstanding the foregoing, this Agreement shall be deemed and treated as an executory contract under Section 365 of the Bankruptcy Code and is subject to the restrictions on assumption and assignment in section 365(c). Further, this provision shall not alleviate or contravene the restrictions on assignments and acquisitions set forth in this Agreement.

6.8 No Laundering. The Parties understand and acknowledge that the licenses, releases, and covenants granted to Affymetrix and its Affiliates by Enzo hereunder are intended to cover only the bona fide products or services of Affymetrix and its Affiliates and are not intended to cover patent laundering activities (i.e., activities that are undertaken solely for the purpose of improperly extending licensed rights to cover any activity of any third party acting outside the scope of Affymetrix’s or its Affiliates’ licensed activities). The Parties further agree that a

purchase of a product from a supplier and resale of such product in substantially the same form back to the same supplier is not licensed under this Agreement. Nothing in this Agreement shall be construed to license sham sales or sham service contracts executed by Affymetrix or any of its Affiliates with any third party solely for the purpose of improperly extending licensed rights to cover any activity of any third party acting outside the scope of Affymetrix's (or its Affiliates') licensed activities.

6.9 Severability. If any provision of this Agreement is held to be illegal or unenforceable, such provision shall be limited or eliminated to the minimum extent necessary so that the remainder of this Agreement will continue in full force and effect and be enforceable. The Parties agree to negotiate in good faith an enforceable substitute provision for any invalid or unenforceable provision that most nearly achieves the intent of such provision.

6.10 Entire Agreement. The Parties hereby agree that (i) this is an enforceable agreement; (ii) this Agreement constitutes the entire and only understanding of each of them with respect to the subject matter of the Agreement, and merges, supersedes and cancels all previous agreements and understandings, whether oral or written, with respect to the subject matter of the Agreement; (iii) no oral explanation or oral information by any Party hereto shall alter the meaning or interpretation of this Agreement; (iv) the terms and conditions of this Agreement may be altered, modified, changed or amended only by a written agreement that identifies itself as an amendment to this Agreement and is executed by duly authorized representatives of Enzo and Affymetrix; (v) the language of this Agreement has been approved by counsel for each of them, and shall be construed as a whole according to its fair meaning; and (vi) none of the them (nor their respective counsel) shall be deemed to be the draftsman of this Agreement in any action which may hereafter arise with respect to the Agreement.

6.11 Modification; Waiver. No modification or amendment to this Agreement, nor any waiver of any rights, will be effective unless assented to in writing by the Party to be charged, and the waiver of any breach or default will not constitute a waiver of any other right hereunder or any subsequent breach or default.

6.12 Construction; Language. Any rule of construction to the effect that ambiguities are to be resolved against the drafting Party will not be applied in the construction or interpretation of this Agreement. As used in this Agreement, the words "include" and "including" and variations thereof, will not be deemed to be terms of limitation, but rather will be deemed to be followed by the words "without limitation." The headings in this Agreement will not be referred to in connection with the construction or interpretation of this Agreement. This Agreement is in the English language only, which language shall be controlling in all respects, and all notices under this Agreement shall be in the English language.

6.13 Counterparts. This Agreement may be executed in counterparts or duplicate originals, both of which shall be regarded as one and the same instrument, and which shall be the official and governing version in the interpretation of this Agreement. This Agreement may be executed by facsimile signatures or other electronic means and such signatures shall be deemed to bind each Party as if they were original signatures.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be signed below by their respective duly authorized officers.

Enzo Life Sciences, Inc.

By: /s/ Barry W. Weiner

Name: _____

Title: President

Date: 10/9/15

Affymetrix, Inc.

By: /s/ Frank Whitney

Name: _____

Title: Chief Executive Officer

Date: 10/8/15

By: /s/ Gavin Wood

Name: _____

Title: Chief Financial Officer

Date: 10/9/15

EXHIBIT A

STIPULATED MOTION FOR DISMISSAL OF LITIGATION

UNITED STATES DISTRICT COURT
OF DELAWARE

ENZO LIFE SCIENCES, INC.

vs.

AFFYMETRIX, INC.

Defendant.

) CASE NO. CV 12-CV-433-LPS
)
) **JOINT STIPULATION OF DISMISSAL**
) **WITH PREJUDICE**
)
) **The Hon. Leonard Stark**
) **Chief United States District Court Judge**
)
)

Pursuant to Rule 41(a)(1)(A)(ii) of the Federal Rules of Civil Procedure, Plaintiff, Enzo Life Sciences, Inc., and Defendant Affymetrix, Inc., by and through their respective counsel, hereby stipulate to the dismissal with prejudice of all claims in this action. Each party shall bear its own attorneys' fees and costs.

Respectfully submitted,

FARNAN LLP

MORRIS NICHOLS ARSHT & TUNNELL LLP

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Attorneys for Defendant
Affymetrix Inc.



**news
release**

Enzo Biochem, Inc.
527 Madison Avenue
New York, NY 10022

FOR IMMEDIATE RELEASE

ENZO BIOCHEM REPORTS STRONG FOURTH QUARTER RESULTS

Higher Revenues and Operating Income, Plus Legal Settlements,

Result in Net Income Exceeding \$8 Million, or 18 Cents Per Share

NEW YORK, NY, October 13, 2015 – Enzo Biochem Inc. (NYSE:ENZ) today reported results for the fiscal quarter and year ended July 31, 2015.

Fourth Quarter Highlights

- Revenues of \$25.7 million were up 3% over the prior year quarter, despite decreased royalty income. Clinical Labs' revenues of \$17.2 million were up 11% over the same period in the prior year while Life Sciences product revenues were essentially unchanged on a constant currency basis.
- Clinical Lab's gross margins were 39% and have increased 500 basis points over the prior year period as a result of the shift to higher valued molecular diagnostic testing. Consolidated gross margins increased 3% as a percentage of sales while gross profit remained unchanged at 44%.
- Both Clinical Labs and Life Sciences were profitable and cash flow from operations reached \$4.5 million.
- Aided by legal settlements in the fiscal 2015 fourth quarter of \$11.3 million, net income for the period ended July 31, 2015 was \$8.4 million, or \$0.18 per share, compared to net loss of \$3.2 million or (\$0.07) in the same period a year earlier.
- Continued integration of business units yielding enabling platforms that allow for the Company to uniquely service other clinical laboratories by offering both products and services. New products, such as FlowScript™, are helping to grow the Lab's high value testing menu.
- Liquidity and working capital materially strengthened at July 31, 2015 with cash of over \$18 million and working capital in excess of \$22.5 million, compared to cash of \$17.5 million and \$15.7 million of working capital at July 31, 2014.

Statement by Barry Weiner, President:

"The 2015 fiscal year ended on a strong note, concluding with solid operating performances from our business units. For the fourth quarter, Enzo Clinical Labs, bolstered by double digit growth, achieved record revenues while Enzo Life Sciences ably dealt with lower research spending and foreign currency headwinds. Our core businesses are executing on our strategy to transform Enzo into a leading molecular diagnostic company with far reaching capabilities to service the health care marketplace. Our

substantial investments in legal to defend and benefit from our intellectual property likewise are returning solid results, with our strengthened financial position and balance sheet underscoring our Company's ability to achieve further gains as the new fiscal year gets underway."

Overview

Enzo posted one of its best quarters in several years as its core business remained profitable while at the same time the Company continued to receive recognition for the value of its technological achievements protected by its patent estate in the form of both settlements and licensing agreements. On the product front, the Company continued to progress on the validation of assays based on Ampiprobe[®] platform by completing validation studies in support of its regulatory submissions. In addition, the Company began clinical validation of specific assays for the detection of a number of women's health conditions also based on its proprietary Ampiprobe[®] technology, and expects to submit that to New York State before the end of the calendar year. Additional application development and upgrades have also been completed for genomics labeling kits and the launching of new immunoassays, several of which may have clinical utility.

Rollout of the FlowScript[™] E6/E7 HPV Assay was conditionally approved this past year by New York State Department of Health in line with the Department's procedure. Flowscript[™] has generated significantly increasing usage and is a factor in the improving Clinical Lab margins. The test creates a significant opportunity for growth as it is for the quantitative evaluation of mRNA from HPV oncogenes E6 and E7, overexpression of which may be an indicator of progression to cervical cancer.

Meanwhile, investment with the aim of driving improved results continues to be placed on new, advanced processing equipment to expand and update higher margin diagnostic capabilities. Increasing utilization of in-house developed tests are enabling Enzo to materially reduce its reliance on outside suppliers, improving margins. Enzo is successfully achieving cost reduction on some purchased reagents from outside suppliers.

During the quarter, legal settlements were reached with Siemens and Luminex, two of 11 cases filed in Federal District Court in Delaware. The case in Connecticut District Court involving Life Technology, now Applera, was remanded by the Circuit Court to the lower court for further adjudication.

Mr. Weiner added comments: "The quarter and year's achievements reflect the strategic approach we undertook to integrate the capabilities of the Clinical Lab and Life Sciences and also focus their activities on higher margin products, tests and services. Ongoing implementation of tighter controls to enhance efficiency and reduce costs is also contributing to results. Development and wider utilization of our advanced technological capabilities will further contribute to our growth goals. We also continue to aggressively pursue legal redress for patent infringements, and if our thus far success on that score is any indication of the more substantial litigation still to be resolved it could, we believe, lead to highly promising results."

Fourth Quarter Results

Revenues advanced 3% over the prior year period and 7% sequentially. Clinical Labs' revenues of \$17.2 million posted double digit gains over the prior year period and sequentially. Life Sciences' revenue of \$8.5 million was lower than the prior year period primarily due to a decline in third party royalties and the effects of foreign currency movements. Life Sciences revenue was higher by 2% sequentially, and

unchanged for the quarter on a constant currency basis. On a consolidated basis gross margin increased 3% from a year ago, to \$11.3 million, from \$10.9 million, and 8% from the preceding fiscal third period. Gross profit as a percentage of sales remained steady at 44% for both periods. Selling, general and administrative expenses (SG&A) declined 4% year over year and 8% sequentially, underscoring the Company's program to reduce costs. Likewise, owing to increased efficiency, the provision for uncollectible receivables was down 7% and 6% year over year and sequentially, respectively. Legal expense was \$1.5 million, significantly lower than the prior year period and sequentially.

GAAP net income for the quarter was \$8.4 million including legal settlements net of expenses of \$11.3 million. Diluted earnings per share was \$0.18, compared with a loss of \$3.2 million or (\$0.07) per share in the year-earlier period. EBITDA (earnings before interest, taxes, depreciation and amortization), a non-GAAP measure, of \$9.6 million, compared to negative EBITDA a year ago of \$2.2 million, an \$11.7 million improvement. On an adjusted non-GAAP basis, which excludes legal settlements and fees and certain other expenses, adjusted EPS was (\$0.06), unchanged over the prior year period and adjusted EBITDA was (\$1.5 million) versus (\$1.8 million), an improvement of \$300,000 from a year ago, despite lower royalties of \$600,000.

Cash flow from operations for the quarter was \$4.5 million. As of July 31, 2015, current assets, including \$18.1 million in cash and cash equivalents, and \$6.6 million in receivables largely related to legal settlements, amounted to \$46.5 million, compared to current liabilities of \$24 million, resulting in working capital of \$22.5 million.

Fourth Quarter Segment Results

Continuing to benefit from an increasing percentage of higher margin molecular testing, which is now estimated at more than 40% of total testing volume, **Enzo Clinical Labs'** revenues increased to a record \$17.2 million, from \$15.4 million a year ago, an increase of \$1.8 million or 11%. As compared to the preceding quarter, revenues were ahead 10%, or \$1.6 million. Gross margin amounted to \$6.7 million, a 27% improvement over last year, and up 13% sequentially. Gross profit as a percentage of sales increased 500 basis points year over year, to 39%, and 100 basis points sequentially. Operating income amounted to \$0.5 million, compared to a year ago operating loss of (\$0.9) million, a \$1.4 million turnaround, and up 66% from the prior quarter. The Clinical Lab continues to perform impressively as it increases the percentage of molecular diagnostics testing with the result that it has been increasing market share in what is a traditionally highly competitive market.

Enzo Life Sciences, having undergone a successful streamlining program designed to reduce costs and tighten the product mix to emphasize higher margin products for the global research market, has remained profitable despite a weak market due to reduced grants and government outlays and foreign currency headwinds. The fourth quarter results represented an improvement, with sequential revenues advancing to \$8.1 million, from \$7.9 million, up 2%, though still behind the year ago period. Royalty and licensing fee was down year over year by \$600,000. Gross margin of \$4.2 million compared favorably with the \$4.1 million of the preceding quarter, with gross profit as a percent of sales at 52% compared to 55% in the prior year period due to product mix. Excluding the legal settlements, Life Sciences' operating income amounted to \$0.6 million, compared to \$1.6 million and \$0.9 million, year over year and sequentially, respectively. In the current year period, lower product revenue, primarily due foreign currency effects and lower third party royalties contributed to the shortfall over prior year.

Full Year Results

For the fiscal year ended July 31, 2015, revenues, led by Clinical Labs revenues up 8%, edged ahead 2%, to \$97.6 million. As noted, Life Sciences' revenues were lower by 4% but unchanged on a constant currency basis, and royalties declined 43%. Consolidated gross margin improved 3%, to \$42.8 million, while gross profit as a percentage of revenue remained unchanged at 44%. Provision for uncollectible receivables totaled \$2.3 million, 25% below the prior year, and SG&A totaled \$41.1 million, a 2% improvement. Legal expenses, while trending lower in the two preceding quarters, nonetheless were up 26%, to \$8.8 million. Including the aforementioned \$11.5 million in legal settlements, net income (loss) amounted to (\$2.3 million), compared to a year ago net loss of (\$9.9 million). Net loss per share was (\$0.05) compared to (\$0.23) in the prior year. EBITDA for the year was \$1.7 million versus a year ago negative (\$5.7) million, a \$7.4 million improvement.

Conference Call

The Company will conduct a conference call Tuesday, October 13, 2015 at 8:30 AM ET. The call can be accessed by dialing 1-888-459-5609. International callers can dial 1-973-321-1024. Please reference PIN number 53805533. Interested parties may also listen over the Internet: <http://tinyurl.com/owqemxj>. To listen to the live call on the Internet, please go to the web site at least fifteen minutes early to register, download and install any necessary audio software. For those who cannot listen to the live broadcast, a replay will be available approximately two hours after the end of the live call, through midnight (ET) on Tuesday, October 27, 2015. The replay of the conference call can be accessed by dialing 1-800-585-8367, and when prompted, use PIN number 53805533. International callers can dial 1-404-537-3406, using the same PIN number.

NON-GAAP Financial Measures

To comply with Regulation G promulgated pursuant to the Sarbanes-Oxley Act, Enzo Biochem attached to this news release and will post to the Company's investor relations web site (www.enzo.com) any reconciliation of differences between non-GAAP financial information that may be required in connection with issuing the Company's quarterly financial results.

The Company uses EBITDA, as a measure of performance to demonstrate earnings exclusive of interest, taxes, depreciation and amortization. Adjustments to EBITDA are for items of a non-recurring nature and are reconciled on the table provided. The Company manages its business based on its operating cash flows. The Company, in its daily management of its business affairs and analysis of its monthly, quarterly and annual performance, makes its decisions based on cash flows, not on the amortization of assets obtained through historical activities. The Company, in managing its current and future affairs, cannot affect the amortization of the intangible assets to any material degree, and therefore uses EBITDA as its primary management guide. Since an outside investor may base its evaluation of the Company's performance based on the Company's net loss not its cash flows, there is a limitation to the EBITDA measurement. EBITDA is not, and should not be considered, an alternative to net loss, loss from operations, or any other measure for determining operating performance of liquidity, as determined under accounting principles generally accepted in the United States (GAAP). The most directly

comparable GAAP reference in the Company's case is the removal of interest, taxes, depreciation and amortization.

We refer you to the tables attached to this press release which includes reconciliation tables of GAAP to Non-GAAP net income (loss) and EBITDA to Adjusted EBITDA.

About Enzo Biochem

Enzo Biochem is a pioneer in molecular diagnostics, leading the convergence of clinical laboratories, life sciences and therapeutics through the development of unique diagnostic platform technologies that provide numerous advantages over previous standards. A global company, Enzo Biochem utilizes cross-functional teams to develop and deploy products systems and services that meet the ever-changing and rapidly growing needs of health care both today and into the future. Underpinning Enzo Biochem's products and technologies is a broad and deep intellectual property portfolio, with patent coverage across a number of key enabling technologies.

Except for historical information, the matters discussed in this news release may be considered "forward-looking" statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements include declarations regarding the intent, belief or current expectations of the Company and its management, including those related to cash flow, gross margins, revenues, and expenses are dependent on a number of factors outside of the control of the company including, inter alia, the markets for the Company's products and services, costs of goods and services, other expenses, government regulations, litigations, and general business conditions. See Risk Factors in the Company's Form 10-K for the fiscal year ended July 31, 2014. Investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties that could materially affect actual results. The Company disclaims any obligations to update any forward-looking statement as a result of developments occurring after the date of this press release.

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Contact:

For Enzo Biochem, Inc.

Steven Anreder
Anreder & Company
212-532-3232
steven.anreder@anreder.com

or

Michael Wachs
CEOCast, Inc.
212-732-4300
mwachs@ceocast.com

ENZO BIOCHEM, INC.
(in thousands, except per share data)

Selected operations data:

	Three months ended July 31, (unaudited)		Fiscal year ended July 31,	
	2015	2014	2015	2014
Revenues:				
Clinical laboratory services	\$ 17,210	\$ 15,439	\$ 63,414	\$ 58,689
Product revenues	8,059	8,426	31,690	32,850
Royalty and license fee income	428	1,042	2,495	4,408
Total revenues	<u>\$ 25,697</u>	<u>\$ 24,907</u>	<u>\$ 97,599</u>	<u>\$ 95,947</u>
Gross profit	<u>\$ 11,317</u>	<u>\$ 10,935</u>	<u>\$ 42,827</u>	<u>\$ 41,679</u>
Gross profit %	<u>44%</u>	<u>44%</u>	<u>44%</u>	<u>43%</u>
Income (loss) before income taxes	8,523	(3,162)	(2,292)	(9,905)
(Provision) benefit for income taxes	(81)	(7)	7	(72)
Net income (loss)	<u>\$ 8,442</u>	<u>\$ (3,169)</u>	<u>\$ (2,285)</u>	<u>\$ (9,977)</u>
Basic income (loss) per share	<u>\$ 0.18</u>	<u>(\$ 0.07)</u>	<u>(\$ 0.05)</u>	<u>(\$ 0.23)</u>
Diluted income (loss) per share	<u>\$ 0.18</u>	<u>(\$ 0.07)</u>	<u>(\$ 0.05)</u>	<u>(\$ 0.23)</u>
Weighted average shares outstanding - basic	<u>46,061</u>	<u>44,020</u>	<u>45,355</u>	<u>42,561</u>
Weighted average shares outstanding - diluted	<u>46,091</u>	<u>44,020</u>	<u>45,608</u>	<u>42,561</u>

Selected balance sheet data:

	July 31, 2015 (unaudited)	July 31, 2014
Cash and cash equivalents	\$ 18,109	\$ 17,455
Working capital	\$ 22,528	\$ 15,771
Stockholders' equity	\$ 42,606	\$ 36,950
Total assets	\$ 68,394	\$ 64,411

The following table presents a reconciliation of reported net income (loss) and basic and diluted earnings per share to non-GAAP net income (loss) and basic and diluted earnings per share for the three and year ended July 31, 2015 and 2014, respectively.

ENZO BIOCHEM, INC.
Non-GAAP, Reconciliation Table
(Unaudited, in thousands, except per share data)

	Three months ended July 31,		Fiscal year ended July 31,	
	2015	2014	2015	2014
Reported GAAP net income (loss)	\$ 8,442	\$ (3,169)	\$ (2,285)	\$ (9,977)
Adjusted for:				
Legal settlements, net	(11,288)	—	(11,458)	(3,100)
Legal fees associated with settlements	217	100	217	1,065
Separation payments and accelerated stock compensation	16	130	76	628
Exit costs associated with contract terminations	—	167	—	167
Non-GAAP net loss	<u>\$ (2,613)</u>	<u>\$ (2,772)</u>	<u>\$ (13,450)</u>	<u>\$ (11,217)</u>
<i>Weighted Shares Outstanding:</i>				
Basic	46,061	44,020	45,355	42,561
Diluted	46,091	44,020	45,608	42,561
<i>Basic and diluted earnings per share:</i>				
Basic earnings per share GAAP	\$ 0.18	(\$ 0.07)	(\$ 0.05)	(\$ 0.23)
Diluted earnings per share GAAP	\$ 0.18	(\$ 0.07)	(\$ 0.05)	(\$ 0.23)
Basic earnings per share non-GAAP	(\$ 0.06)	(\$ 0.06)	(\$ 0.30)	(\$ 0.26)
Diluted earnings per share non-GAAP	(\$ 0.06)	(\$ 0.06)	(\$ 0.30)	(\$ 0.26)

The following table presents a reconciliation of reported net income (loss) for the three and year ended July 31, 2015 and 2014, respectively to EBITDA and Adjusted EBITDA:

ENZO BIOCHEM, INC.				
EBITDA & Adjusted EBITDA, Reconciliation Table				
(Unaudited, in thousands)				
	Three months ended		Fiscal year ended	
	July 31,		July 31,	
	2015	2014	2015	2014
GAAP net income (loss)	\$ 8,442	\$ (3,169)	\$ (2,285)	\$ (9,977)
Plus:				
Depreciation and amortization	992	956	3,789	3,971
Interest expense	69	46	245	208
Provision (benefit) for income taxes	81	7	(7)	72
EBITDA	\$ 9,584	\$ (2,160)	\$ 1,742	\$ (5,726)
Adjusted for:				
Legal settlements, net	(11,288)	—	(11,458)	(3,100)
Legal fees associated with settlements	217	100	217	1,065
Separation payments and accelerated stock compensation	16	130	76	628
Exit costs associated with contract terminations	—	167	—	167
Adjusted EBITDA	\$ (1,471)	\$ (1,763)	\$ (9,423)	\$ (6,966)



**news
release**

Enzo Biochem, Inc.
527 Madison Avenue
New York, NY 10022

For Immediate Release

Enzo Biochem Reaches \$10 Million Patent Infringement Settlement with Affymetrix, Inc.

Resolved Suit Involves One of 11 Infringement Cases Brought in Delaware Federal District Court, Nine of Which Remain Pending

NEW YORK, NY, October 13, 2015 – Enzo Biochem, Inc. (NYSE:ENZ) today announced that it has reached and finalized a settlement with Affymetrix, Inc. (NASDAQ: AFFX) involving payment of \$10 million to Enzo in an infringement action brought by Enzo regarding its U.S. Patent No. 7,064,197.

Today's settlement resolving the disputes between Enzo and Affymetrix impacts only one of 11 cases originally brought by Enzo in the United States District Court for the District of Delaware alleging patent infringements against various companies, nine of which remain pending.

About Enzo Biochem

Enzo Biochem is a pioneer in molecular diagnostics, leading the convergence of clinical laboratories, life sciences and therapeutics through the development of unique diagnostic platform technologies that provide numerous advantages over previous standards. A global company, Enzo Biochem utilizes cross-functional teams to develop and deploy products systems and services that meet the ever-changing and rapidly growing needs of health care both today and into the future. Underpinning Enzo Biochem's products and technologies is a broad and deep intellectual property portfolio, with patent coverage across a number of key enabling technologies.

Except for historical information, the matters discussed in this news release may be considered "forward-looking" statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements include declarations regarding the intent, belief or current expectations of the Company and its management, including those related to cash flow, gross margins, revenues, and expenses are dependent on a number of factors outside of the control of the company including, inter alia, the markets for the Company's products and services, costs of goods and services, other expenses, government regulations, litigations, and general business conditions. See Risk Factors in the Company's Form 10-K for the fiscal year ended July 31, 2014. Investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties that could materially affect actual results. The Company disclaims any obligations to update any forward-looking statement as a result of developments occurring after the date of this press release.

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