



Transgene Reports First Quarter 2014 Financial Results

Circa € 100 Million in Cash as of March 31

Strasbourg, France, April 22, 2014 – Transgene (Euronext Paris: FR0005175080) today issued its quarterly financial report¹ as of March 31, 2014 (first quarter of 2014).

Operating revenue:

The following table summarizes the first quarter operating revenue for 2014 compared to the same period in 2013:

In thousands of euros	Q1	
	2014	2013
Revenue from collaborative and licensing agreements	880	801
Government financing for research expenditures	2,161	2,839
Operating revenue	3,041	3,640

During the first quarter of 2014, revenue from collaborative and licensing agreements was mainly composed of: (i) research services, (ii) revenue recognized from the payment made in 2010 by Novartis for the exclusive option agreement on TG4010, and (iii) royalties.

As of March 31, 2014, government financing for research expenditures mainly consisted of 25% of the research tax credit expected for 2014 (2 million euros).

Cash, Cash Equivalents, Available-for-sale Financial Assets and other Financial Assets:

Cash, cash equivalents, available-for-sale financial assets and other financial assets amounted to 98.9 million euros as of March 31, 2014, compared to 47.9 million euros as of December 31, 2013. Cash burn, excluding the recent capital increase, amounted to 12.5 million euros in the first quarter of 2014, compared to 12.8 million euros in the first quarter of 2013. Transgene raised 63.5 million euros in net proceeds through capital increases in the first quarter of 2014. Not accounting for these capital increases as well as for any new partnering revenue, the Company expects to spend 50-55 million euros to fund its operations in 2014.

¹ Unaudited and not subject to approval by the Board of Directors.

About Transgene:

Transgene (NYSE-Euronext: TNG), a member of the Institut Mérieux Group, is a publicly traded French biopharmaceutical company focused on discovering, developing and manufacturing targeted immunotherapies for the treatment of oncology and infectious diseases. Transgene's programs utilize well-tolerated viruses with the goal of indirectly or directly killing infected or cancerous cells. The Company's two lead clinical-stage programs are: TG4010 for non-small cell lung cancer and Pexa-Vec for liver cancer. Transgene has concluded corporate strategic agreements for both of these product candidates: an exclusive option agreement with Novartis for the development and commercialization of TG4010 and an in-licensing agreement with U.S.-based Jennerex, Inc. (now a wholly owned subsidiary of SillaJen) for the development and commercialization of Pexa-Vec in certain territories. The Company has several other programs in clinical and pre-clinical development that are based on its core viral vector technology. Transgene is based in Strasbourg, France, and has additional operations in Lyon, as well as satellite offices in China and the U.S. Additional information about Transgene is available at www.transgene.fr

Forward Looking Statements:

This press release contains forward-looking statements notably referring to the Company's cash consumption. Such anticipated cash burn is based on the current plans for product development and testing, as well as anticipated costs and expenses. Actual costs and expenses may differ significantly and there can be no guarantee that the Company will not incur higher than expected costs and/or receive lower than expected revenues, increasing its cash consumption. For further information on the risks and uncertainties involved in the development of Transgene's product candidates, see Transgene's Document de Référence on file with the French Autorité des marchés financiers on its website at <http://www.amffrance.org> and on Transgene's website at www.transgene.fr.

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