

## **Transgene plans restructuring to focus on research and development**

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**Strasbourg, France, June 29, 2015** – Transgene SA (Euronext: TNG) a biotechnology company specializing in immunotherapies for cancer and infectious diseases, announced today that it has informed the representatives of the works council of the Company's intention to modify its vertical integration model and to implement a restructuring in order to maintain its competitiveness and to ensure a sustainable future.

Transgene intends to focus resources on its core business of research and development by advancing its clinical portfolio, reorganizing its research model, and outsourcing manufacturing and pharmaceutical development activities.

The Company will apply its resources to advancing its clinical portfolio, as well as on research and development, particularly translational<sup>1</sup> research. The Company plans to continue to develop innovative immunotherapies for cancer and infectious diseases by further developing its technology platforms. The Company's strategy is to increase collaborations with academic institutions and hospitals, as well as with biopharmaceutical partners, with partnerships occurring at an earlier stage of product development.

In this context, it is no longer strategic for Transgene to keep its stand-alone pharmaceutical development and bio-manufacturing capabilities. Thus, the planned restructuring would lead to the Company's terminating such activities, which is expected to result in the loss of approximately 120 positions, mostly in manufacturing and pharmaceutical development and also in support functions. In accordance with the values of its principal shareholder, Institut Mérieux, Transgene is committed to by all means minimizing as much as possible the social impact of the restructuring plan, giving top priority to finding new positions in other Institut Mérieux companies for affected employees. The aim is to leave no one without a solution. Furthermore, as part of the Employment Safeguard Plan (Plan de Sauvegarde de l'Emploi, a mandatory process under French labor law), Transgene has received a proposal from ABL, Inc., a U.S. subsidiary of Institut Mérieux, under which ABL would offer, in Illkirch (France), positions to a significant number of Transgene's employees involved in manufacturing and related activities.

Negotiations have been launched with employee representatives in order to discuss and finalize the plan, in accordance with French law. The Company's revised strategy should provide a more balanced business model and provide Transgene more flexibility in the execution of its strategic plan. Under this strategy, conducting and advancing ongoing and future research and clinical development projects would be priorities. The Company plans to provide more details regarding its updated clinical development plan soon.

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<sup>1</sup> Translational research seeks to increase the exchange of information between basic science in biology and clinical research. By fostering the relationship between biologists and clinicians, translational research brings together the academic and biopharmaceutical worlds to speed up the development of new treatments.

This press release contains certain forward-looking statements about the Company's strategy and plans. Although the Company believes its expectations are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties, (including the conclusion of successful discussions with union representatives) which could cause actual results to differ materially from those anticipated and have a significant negative impact on the Company's activities, perspectives, financial situation, results and development. For a discussion of risks and uncertainties which could cause the Company's actual results, financial condition, performance or achievements to differ from those contained in the forward-looking statements, please refer to the Risk Factors ("Facteurs de Risque") section of the Document de Référence, which is available on the AMF website (<http://www.amf-france.org>) or on Transgene's website ([www.transgene.fr](http://www.transgene.fr)).

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