



Jennerex and Transgene Announce Presentation of Phase 1 Data Demonstrating that JX-594 Administration Targets Tumor Vasculature

-- Data Presented at the American Association for Cancer Research --

San Francisco, California and Illkirch, France, April 6, 2011--Jennerex, Inc., a private clinical-stage biotherapeutics company focused on the development and commercialization of first-in-class targeted oncolytic products for cancer, and Transgene (NYSE Euronext Paris: FR0005175080), a biopharmaceutical company specialized in the development of immunotherapeutic products, reported interim results from Phase 1 dose-escalation clinical trials demonstrating that administration of JX-594 targets tumor vasculature. By directly targeting and replicating within tumor vasculature, JX-594 disrupts the blood supply to the solid tumors contributing to destruction of the cancer. Data were reported in a poster presentation at the 102nd Annual Meeting of the American Association for Cancer Research (AACR) in Orlando, Florida.

“In addition to targeting, infecting and destroying cancer cells and stimulating a targeted immune response against remaining cancer cells, the analysis presented at AACR demonstrates JX-594’s critical third mechanism of action—the disruption of the blood supply to the tumor,” said David H. Kirn, M.D., president and chief executive officer of Jennerex.

“Importantly, these data show that both intravenous and intratumoral injection of JX-594 can effectively attack tumor vasculature. These results further demonstrate that JX-594 may have therapeutic benefit for a variety of solid tumors including liver, colorectal and other cancers,” added Philippe Archinard, chairman and chief executive officer of Transgene.

Twenty three patients were enrolled in the Phase 1 dose-escalation clinical study using intravenous JX-594 to treat advanced, treatment refractory solid tumors. Tumor biopsies, evaluated through immunohistochemical analysis, showed that JX-594 given intravenously infected the vasculature of tumors causing the blood supply to the tumor to be disrupted. In addition, in another trial of patients with primary liver cancer who received intratumoral injections of JX-594, magnetic resonance imaging was used to assess for acute reduction in tumor perfusion. Within just five days following treatment with JX-594, a significant decrease in tumor perfusion was observed resulting in acute tumor destruction. Vascular shutdown was restricted to tumor tissue, and no significant changes in perfusion were noted in normal tissue. At later timepoints, Choi (necrotic) responses were reported in these same patients.

About JX-594

JX-594 is a proprietary, engineered oncolytic virus that is designed to selectively target and destroy cancer cells. JX-594 is designed to attack cancer through three diverse mechanisms of action: the lysis of cancer cells through viral replication, the reduction of the blood supply to tumors through vascular targeting and destruction, and the stimulation of the body's immune response against cancer cells, i.e., active immunotherapy. Phase 1 and Phase 2 clinical trials in multiple cancer types to date have shown that JX-594, delivered either directly into tumors or systemically, induces tumor shrinkage and/or necrosis and is well-tolerated by patients. Objective tumor response has been demonstrated in a variety of cancers including liver, colon, kidney, lung and melanoma.

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Transgene holds an exclusive license to develop and commercialize JX-594 in Europe and neighboring countries. Green Cross Corporation, a leading company in the development, manufacturing, and commercialization of viral vaccines and other biological products, holds an exclusive license to develop and commercialize JX-594 in South Korea, and Lee's Pharmaceutical Ltd. holds an exclusive license to develop and commercialize JX-594 in China.

About Jennerex

Jennerex, Inc. is a clinical-stage biotherapeutics company focused on the development and commercialization of first-in-class, breakthrough targeted oncolytic products for cancer. The Company's lead product JX-594 is currently in two Phase 2 clinical trials in patients with primary liver cancer—an international, randomized, Phase 2 clinical trial, and a Phase 2 study of JX-594 in combination with sorafenib. Published studies designed to establish optimal dose levels and the safety profile of JX-594 have shown its ability to selectively target and cause destruction of a variety of common cancer types. JX-594 and other product candidates under development are designed to attack cancer tumors through three diverse mechanisms of action: the lysis of cancer cells through viral replication, the ablation of the blood supply to tumors through vascular targeting and destruction and the stimulation of the body's immune response against the cancer. Jennerex is headquartered in San Francisco and has related research and development operations in Ottawa, Canada and Pusan, South Korea. For more information about Jennerex, please visit www.jennerex.com.

About Transgene

Transgene, a member of the Institut Mérieux Group, is a publicly traded French biopharmaceutical company dedicated to the development of therapeutic vaccines and immunotherapeutic products in oncology and infectious diseases, and has five compounds in clinical development: TG4010 and JX-594 (TG6006) having completed initial phase II trials, TG4001 in phase IIb trial, TG4040 in phase II trial and TG4023 in phase I trial. Transgene has concluded strategic agreements for the development of two of its immunotherapy products, an option agreement with Novartis for the development of TG4010 to treat various cancers, and an in-licensing agreement with US-based Jennerex Biotherapeutics, Inc., to develop and market JX-594 (TG6006), an oncolytic product.

Transgene has bio-manufacturing capacities for viral-based products. Additional information about Transgene is available on the internet at www.transgene.fr

Cautionary note for Transgene regarding forward-looking statements

This press release contains forward-looking statements referring to the joint clinical testing and development and commercial potential of JX-594. Clinical testing and successful product development and commercialization depend on a variety of factors, including the timing and success of future patient enrolment, the risk of unanticipated adverse patient reactions, regulatory approval and the level of demand for the product by the medical community. Results from future studies with more data may show less favorable outcomes than prior studies, and there is no certainty that product candidates will ever demonstrate adequate therapeutic efficacy or achieve regulatory approval or commercial success. In addition, forward-looking statements regarding product development, testing and marketing costs are by the nature subject to uncertainties as a result of unforeseen difficulties and expenses which may arise, and future product development costs may exceed current expectations. For further information on the risks and uncertainties involved in the testing and 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.amf-france.org> and Transgene's website at www.transgene.fr.

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