

Transgene to Present New Data on TG1050 and TG4040 to Treat Chronic Hepatitis B and C at EASL 2013

Strasbourg, April 8th, 2013 - Transgene SA (Euronext Paris: FR0005175080), a biopharmaceutical company that develops targeted immunotherapy products to treat major unmet medical needs in cancer and infectious diseases, today announced that favourable pre-clinical and clinical data on two Transgene products – TG1050 and TG4040 to treat chronic hepatitis B (CHB) and chronic hepatitis C (CHC), respectively – will be presented in oral presentations at this year's European Association for the Study of the Liver (EASL) Conference (Amsterdam, Netherlands, April 24-28, 2013). The full abstracts are available at <http://www.easl.eu>.

"We are delighted to have the opportunity to present data at EASL, Europe's largest liver conference. TG1050 is a novel immunotherapeutic to treat CHB that has shown very promising preclinical results and will soon be moving to early clinical development" stated Philippe Archinard, Chairman and CEO of Transgene. He added: *"In addition to the preclinical proof-of-concept data published in September 2012¹, we have today released supplementary information, obtained in pre-clinical naïve and HBV murine models, on the immunogenicity of TG1050 and its capacity to induce long-term T cell response. This evidence further underlines our belief in the product's potential to become an important new first in class immunotherapeutic to treat CHB, an area of unmet medical need."*

"TG4040 has recently completed successful phase 2 trial in patients with CHC" stated Nathalie Adda, Chief Medical Officer of Transgene. She added: *"Following interim data published in April last year for TG4040 in combination with PegIFN α 2a and ribavirin, we report the final results of the phase 2 HCVac trial with sustained viral response at 24 weeks (SVR24) and additional immunogenicity, specific T-cell and humoral responses. The study has demonstrated that pre-treatment with TG4040 has a positive impact on viral response as shown by cEVR and SVR improvement compared to PegIFN alpha 2a and Ribavirin alone. HCV Immunotherapy now could be explored in combination with an IFN-free DAA regimen."*

The oral presentations will take place on Friday, April 26 and Saturday, April 27, 2013.

Friday, April 26, Session entitled: HCV Direct Acting Antivirals (abstract No 62)

Phase 2 HCVac Study of TG4040 immunotherapeutic in combination with PegIFN α 2a and ribavirin in genotype 1 CHC treatment naïve patients: SVR24 Final Results

Oral presentation by Pr. Heiner Wedemeyer, Principal Investigator of the HCVac study, University of Hanover, Germany

Session Time: 16:00-18:00

¹ Poster Presentation of TG1050 at the International HBV Meeting in Oxford, England

Saturday, April 27, Session entitled: *Hepatitis B and D Experimental (abstract No 130)*

A Multivalent Adenovirus-Based Immunotherapeutic for Treatment of Chronic Hepatitis B Induces Broad, Robust and Polyfunctional T Cells in Naïve and HBV Tolerant Mice

Oral presentation by Dr. Perrine Martin, Scientific Coordinator of the Hepatitis B Program, Department of Infectious Diseases, Transgene SA.

Session Time: 15:30-17:30

About TG1050

The novel immunotherapeutic product TG1050 developed by Transgene to treat chronic infection by hepatitis B is based on a recombinant non-replicative human adenovirus serotype 5, expressing multiple specific HBV antigens (Core, Polymerase and Envelope) from genotype D. The product has been designed to prime *de novo* and/or stimulate functional T cells expected to control the HBV replication and to elicit viral clearance.

According to the World Health Organization's (WHO) estimates, 350 million people are chronic carriers (WHO, 2009) of HBV. Hepatitis B is more common in some parts of the world than others. In China and other parts of Asia, up to 10% of the population is believed to be chronically infected. In addition to the significant burden of disease, CHB is responsible for 1 million deaths each year due to related complications such as liver failure, cirrhosis or hepatocellular carcinoma (liver cancer).

About TG4040

Transgene's TG4040 vaccine candidate is a recombinant vector based on the MVA virus carrying and expressing three of the major non-structural proteins (NS3, NS4 and NS5B) of the hepatitis C virus (HCV). The MVA vector is a highly attenuated strain of vaccinia virus, which has been tested extensively in humans as a vaccine against smallpox and is known to strongly stimulate innate and adaptive immune responses to antigens.

About TG4040 Clinical Development Program

153 patients in the phase 2 HCVac study were recruited in five countries in Europe, in the United States and in Israel, and were randomized in one control arm (Arm A; 48 weeks of Peg-IFN/RBV) or one of the two experimental arms (Arms B and C). In the Arm B, the TG4040 dosage (subcutaneous injections at the dose of 10^7 pfu) was administered 6 times and Peg-IFN/RBV was given 4 weeks prior to the initiation of TG4040. In the Arm C, the TG4040 dosage was administered 13 times and Peg-IFN/RBV was introduced 12 weeks after the initiation TG4040. The HCVac trial investigated the efficacy and safety of these two different schedules of TG4040 administration in combination with Peg-IFN and RBV.

About Transgene:

Transgene (NYSE-Euronext: TNG), a member of the Institut Mérieux Group, is a biopharmaceutical company. It creates, develops and manufactures targeted immunotherapeutics for the treatment of cancers and infectious diseases. Transgene's products are major technological breakthroughs. They use well tolerated viruses to indirectly or directly kill infected or cancerous cells. Its four most advanced products have generated proof of concept data in randomized clinical studies: in lung cancer (TG4010), liver cancer (Pexa-Vec), hepatitis C (TG4040) and HPV-related cervical lesions (TG4001). Transgene has concluded strategic agreements for the development of three of these products: an option agreement with Novartis for the development of TG4010, an in-licensing agreement with US-based Jennerex, Inc. to develop and market Pexa-Vec and a strategic collaboration with EORTC to develop TG4001 in cancer of the oropharynx. Transgene also has a non exclusive agreement with Sanofi/Genzyme for its future commercial production. With 280 employees, it is based in Strasbourg, France, and has operations in Lyon, China and the USA. Additional information about Transgene is available at www.transgene.fr.

Transgene Forward Looking Statements

This press release contains forward-looking statements notably referring to an anticipated future BLA filing date by Transgene. Such anticipated future BLA filing date is based on the current plan of product development and testing. This plan may change in the future and, as such, Transgene could be in a position not to meet the currently anticipated development milestones, including such BLA filing. 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.amffrance.org> and on Transgene's website at www.transgene.fr.

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