

## Transgene Grants Ascend Biopharmaceuticals a License to TG1042, an Immunotherapy to Treat Basal Cell Carcinoma, a Common Type of Skin Cancer

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**Strasbourg, France, July 3, 2013** — Transgene SA (Euronext Paris: TNG), a biopharmaceutical company that develops targeted immunotherapy products to treat major unmet medical needs in cancer and chronic infectious diseases, today announced it is granting Ascend Biopharmaceuticals, an emerging privately-held Australian immunotherapy company, a license to develop and commercialize TG1042 in basal cell carcinoma, a highly prevalent form of skin cancer, as well as in two other cancer indications. Transgene retains rights to other potential indications.

TG1042 (now ASN-002 at Ascend) is an adenovirus-based immunotherapy that expects to enter phase 1/2 clinical trial in nodular basal cell carcinoma in Australia later in 2013. Nodular basal cell carcinoma is a highly prevalent skin cancer that affects around 2 million persons worldwide with a significantly higher than average prevalence in Australia. Prevalence is notably associated with prolonged and/or repeated skin exposure to the sun. Current treatment for nodular basal cell carcinoma is surgery and there is a need for an effective alternative to surgery in hard to treat BCC patients for whom the disease is life threatening.

TG1042 was previously licensed to Virax, another Australia-based immunotherapy company. This license agreement was terminated in 2012, when Virax discontinued its activities. Rights were then granted back to Transgene.

Terms and conditions of the license to Ascend were not disclosed.

*« We are very pleased to announce the license of TG1042 to Ascend, a new immunotherapy company founded and managed by biotechnology industry veterans with a solid track record in the development of immunotherapeutics »* said Philippe Archinard, Chairman and CEO of Transgene. He added: *« Through this license agreement, we keep supporting the development of this asset and remain financially incentivized to its success. Furthermore, as we keep certain rights, we could later build on the product's clinical and commercial success for our own development ».*

**About Transgene:**

Transgene (NYSE-Euronext: TNG), a member of the Institut Mérieux Group, is a biopharmaceutical company. We create, develop and manufacture targeted immunotherapeutics for the treatment of cancers and infectious diseases. Our products are major technological breakthroughs that use well tolerated viruses to indirectly or directly kill infected or cancerous cells. Our 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). We have 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. We also have a non-exclusive agreement with Sanofi/Genzyme for the future commercial production of our products. Most of our 280 employees are based in Strasbourg, France, and we have operations in Lyon, China and the USA. Additional information about Transgene is available at [www.transgene.fr](http://www.transgene.fr).

**Transgene Forward Looking Statements:**

*This press release contains forward-looking statements notably referring to the development of a treatment against certain cancers. Such anticipated development is based on the results obtained thus far in clinical trials. These results are not necessarily predictive of the results that could be obtained in ongoing or future clinical testing. 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 on Transgene's website at [www.transgene.fr](http://www.transgene.fr).*

**Contacts:****Transgene**

Philippe Archinard, Chairman & CEO, +33 (0)3 88 27 91 22

Stéphane Boissel, Executive Vice President & CFO, +33 (0)3 88 27 91 02

Elisabetta Castelli, Director IR, +33 (0)3 88 27 91 21

**MC Services**

Raimund Gabriel, +49 89 210 228 30

Shaun Brown, +44 207 148 5998