



Transgene Announces Plans for a Phase 1b/2 Trial with Pexa-Vec in Advanced Solid Tumors

While the Company is Finalizing Full Development Plan for Pexa-Vec with Partners

Strasbourg, France, February 25, 2014 - Transgene SA (NYSE-Euronext: TNG) today announced plans for a Phase 1b/2 trial with Pexa-Vec that is to be funded by the Institut National du Cancer (INCa). This trial will be part of an INCa-funded program called CLIP², that is facilitating patient access to innovative treatments and promoting global exchanges in cutting edge research that involve academic-initiated research and novel therapies being developed by biotechnology and pharmaceutical companies.

“We are pleased with the interest shown to further develop Pexa-Vec by INCa. It is noteworthy that Transgene will be one of the first biotechnology companies to have a trial funded by INCa” said Philippe Archinard, Chairman and Chief Executive Officer of Transgene. “This trial complements the development plan we are finalizing with our partners, which is expected to include a global Phase 3 trial in advanced liver cancer, as well as exploratory and supportive Phase 2 studies in a variety of cancer types and with various other therapies. We look forward to providing soon a more comprehensive update on our plans for Pexa-Vec once our partner SillaJen’s acquisition of Jennerex has closed.”

The Phase 1b/2 trial will evaluate Pexa-Vec in combination with metronomic cyclophosphamide, a drug used in combination with other therapies to treat a wide variety of cancers. The trial, expected to be initiated later in 2014, is sponsored by Bergonié Institute (Bordeaux, France).

About Pexa-Vec:

Pexa-Vec (JX594/TG6006 pexastimogene devacirepvec) is an engineered oncolytic vaccinia virus armed with a GM-CSF gene that promotes an anti-tumor immune response. Pexa-Vec is designed to selectively target and destroy cancer cells through three different mechanisms of action: the lysis (breakdown) of cancer cells through viral replication, the reduction of the blood supply to tumors through vascular targeting and disruption, and the stimulation of the body's immune response against cancer cells. Clinical trials are ongoing or planned in hepatocellular carcinoma (liver cancer), renal cell carcinoma (kidney cancer), colorectal cancer, as well as other tumor types.

Transgene has exclusive rights to develop and commercialize Pexa-Vec for the treatment of solid tumors in Europe, the Commonwealth of Independent States and the Middle East.

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 four clinical-stage programs are: TG4010 for non-small cell lung cancer; Pexa-Vec for liver cancer; TG4001 for oropharyngeal cancer (under a collaboration agreement with the EORTC) and TG4040 for chronic Hepatitis C. Transgene has concluded corporate strategic agreements for the development of two of its immunotherapy products: an exclusive option agreement with Novartis for the development and commercialization of TG4010 and an in-licensing agreement with U.S.-based Jennerex, Inc. for the development and commercialization of Pexa-Vec in certain territories. The Company also has several programs in research 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.

Disclaimer:

This press release contains forward-looking statements about the future development of Pexa-Vec. Although the Company believes its expectations are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties, which could cause actual results to differ materially from those anticipated and have a significant negative outcome for the Company's activities, perspectives, financial situation, results and development. The Company's ability to commercialize its products depends on but is not limited to the following factors: positive pre-clinical data may not be predictive of human clinical results, the success of clinical studies, the ability to obtain financing and/or partnerships for product development and commercialization, and marketing approval by government regulatory authorities. 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).

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