Transgene Reports Fiscal Year 2013 Results and Provides Business Update

- **2013 expenses and cash burn in line with expectations**
- **Cash position significantly strengthened following recent financing transactions**
- **Two Phase 3 trials under preparation**

Strasbourg, France, March 26, 2014 – Transgene SA (Euronext Paris: TNG) announced today its financial results for the fiscal year ended December 31, 2013 and provided a business update.

Highlights from the consolidated financial results for 2013 included a stable net loss of €42.9 million compared to €43.2 million in 2012 and net cash burn of €45.0 million (€46.6 million in 2012). As of December 31, 2013, the Company had €47.9 million in cash, cash equivalents and other financial assets.

After the close of the fiscal year, Transgene successfully completed a rights offering and private placement in which it raised a gross amount of €65.5 million. Its current cash and cash equivalents is approximately €100 million euros. Transgene anticipates cash burn in 2014 to be €50-55 million (excluding licensing revenue on TG4010).

"2013 was a year of significant investment in our lead clinical programs, TG4010 and Pexa-Vec. We nevertheless managed to keep the burn rate at the expected levels through stringent cost control," said Stéphane Boissel, Executive Vice President and Chief Financial Officer. *"Following our successful fund raising of €65.5 million, we have sufficient cash resources to meet our development obligations in the near term."*

"We have had a very busy and excellent start to 2014. We announced preliminary data from the Phase 2b part of the TIME trial with TG4010 in non-small cell lung cancer that support moving into the Phase 3 part of the study. Our Pexa-Vec partner Jennerex has a new controlling shareholder and we are now ready for an ambitious development plan for the product. Finally, we have completed a successful equity placement transaction," said Philippe Archinard, Chairman and Chief Executive Officer. "*We expect the rest of the year to be equally exciting as we await Novartis' decision on its option for TG4010 and as we prepare to enter into two Phase 3 trials with our two most advanced, promising immunotherapy candidates."*

Key 2013 figures:

Annual consolidated financial statements for 2013 are summarized as follows:

- €15.7 million in revenue compared to €13.1 million in 2012,
- €50.1 million in R&D expenses compared to €48.7 million in 2012,
- €42.9 million in net loss compared to €43.2 million in 2012, and
- €45.0 million in cash consumption compared to €46.6 million in 2012.

As of December 31, 2013, Transgene had €47.9 million in cash, cash equivalents and other financial assets.

The following table presents the income statement for 2012 and 2013:

In thousands of euros	**12/31/2013**	**12/31/2012***
Revenue from collaborative and licensing agreements	3,849	3,928
Government financing for research expenditures	11,886	9,133
Revenue	**15,735**	**13,061**
Research and development expenses	(50,063)	(48,679)
General and administrative expenses	(6,769)	(6,610)
Other income and (expenses), net	(101)	93
Net operating expenses	**(56,933)**	**(55,196)**
Operating income	**(41,198)**	**(42,135)**
Interest income and (expenses), net	(730)	(585)
Income/ (loss) before tax	**(41,928)**	**(42,720)**
Income tax expenses	-	-
Income from equity affiliates	(930)	(474)
Net income/ loss	**(42,858)**	**(43,193)**
Net Income per share (€)	(1.34)	(1.36)
Diluted earnings per share (€)	(1.34)	(1.36)

**2012 financial statements modified according to revisedIAS19 and applied retroactively from 1 January 2013.*

The financial statements for 2013 as well as the management discussion on those statements are attached to this press release (Appendixes A and B).

Highlights from 2013 and Year-to-Date 2014:

Research and development:

- TG4010: Phase 2b TIME trial in non-small cell lung cancer preliminary results announced; overall results support use of TrPAL predictive biomarker to select patients to receive treatment with TG4010 in combination with chemotherapy and warrant continuation into Phase 3 part of TIME study.

- Pexa-Vec: Acquisition of partner Jennerex, Inc. by SillaJen, Inc. completed; late-stage development plan unveiled for Pexa-Vec, including a Phase 3 trial in advanced liver cancer.

- TG1050 (immunotherapy against hepatitis B): Encouraging pre-clinical data in chronic hepatitis B presented at several major medical conferences.

- Tuberculosis immunotherapeutic: Transgene enters collaboration with and is granted sub-award from Emergent BioSolutions, Inc. under its existing grant of $5 million from the U.S. National Institute of Allergy and Infectious Diseases, part of the U.S. National Institutes of Health (NIH).

Corporate and business development:

- Agreement signed with Sanofi/Genzyme for the future commercial production of Transgene's products; construction phase underway.

- Investments made in ElsaLys Biotech, a therapeutic antibody company started by former Transgene executives, Platine Pharma Services SAS, an immune-monitoring services business and in Jennerex, Inc., co-developer of Pexa-Vec.

- TG1042: License granted to immunotherapy company Ascend Biopharmaceuticals for development and commercialization in basal cell carcinoma and two other cancer indications.

- Two new members appointed to Board of Directors: Laurence Zitvogel, MD, professor of immunology and biology at Paris University and Jean-Luc Bélingard, Chairman and Chief Executive Officer of bioMérieux S.A.

Update on key Transgene programs:

The Company provided the following update on its key development programs.

TG4010 MUC-1 targeted immunotherapy: In January 2014, the Company announced topline preliminary results from the Phase 2b part of the Phase 2b/3 TIME trial evaluating TG4010 in combination with chemotherapy versus placebo plus chemotherapy in the first-line treatment of MUC-1 positive advanced non-small cell lung cancer (NSCLC) patients. The primary objective of the Phase 2b part of the study was to validate the triple-positive activated lymphocytes (TrPAL) predictive biomarker; the safety and efficacy of TG4010 in combination with various chemotherapy regimens in this patient population were also assessed. Transgene believes that

the overall results support use of TrPAL predictive biomarker to select patients to receive treatment with TG4010 in combination with chemotherapy and warrant continuation into Phase 3 part of TIME study. The Company plans to meet with regulatory authorities to discuss plans for moving into the Phase 3 part of the TIME trial.

Transgene has signed an exclusive option agreement with Novartis for the development and commercialization of TG4010 for the first-line treatment of NSCLC and other potential cancer indications. Under the terms of this agreement, Novartis has a 90-day window to decide if it will exercise its option, which opened following receipt of the report on the results of the Phase 2b part of the TIME trial.

Pexa-Vec oncolytic immunotherapy: Transgene and its partners SillaJen, Inc. and Lee's Pharmaceutical have recently unveiled a late-stage development plan for Pexa-Vec. The companies plan to initiate a Phase 3 trial in the first-line treatment of advanced liver cancer and several Phase 1/2 trials in different cancers and in combination with a variety of other treatments, including other immunotherapies such as immune checkpoint inhibitors. With the acquisition of Jennerex, Inc. by SillaJen, Inc. successfully closed in mid-March 2014, the Company's partner for Pexa-Vec is now well funded to effectively advance this comprehensive development plan.

TG1050 adenovirus-based immunotherapy: This program is being developed for the treatment of chronic hepatitis B. Pre-clinical data indicate the capacity of TG1050 to induce robust, broad, long-lasting and cross-reactive T cells with characteristics similar to those found in cured patients, together with some antiviral activity. Data presented at major conferences have also shown that TG1050 has the potential to be active across various genotypes of this disease, including those most common in Europe, the U.S., as well as China. Transgene expects to initiate a first-in-humans clinical trial by the end of 2014.

TG4001: Transgene is planning the further development of TG4001 to treat cancers caused by human papilloma virus (HPV). A study is currently being planned to evaluate TG4001 in a particular type of head and neck cancer – oropharyngeal (oral cavity) cancer caused by HPV. An immunotherapy approach such as with TG4001 to treat cancers caused by HPV could be complementary to existing treatments by facilitating a patient's immune system to recognize and fight the cancer cells. This trial will be conducted with the EORTC (European Organization for Research and Treatment of Cancer), a European cancer cooperative group.

Earlier Stage Pipeline: The Company also has a robust pipeline of earlier stage programs. This includes TG6002, an oncolytic immunotherapy being developed for the treatment of solid tumors. The program is making good progress in pre-clinical testing and is expected to enter the clinic during 2015. The Company also has a research program to develop a targeted immunotherapeutic to treat active tuberculosis (TB), including resistant TB, utilizing the Company's core viral vector technology. Several potential product candidates have been generated and are currently being evaluated to determine the best candidate to advance into further development, and data from the program are expected to be presented during 2014.

Conference call and analyst meeting scheduled:

A conference call in English has been scheduled for Wednesday, March 26, 2014 at 6 PM CET/1 PM EDT. A replay of the call will be available on the Transgene website (www.transgene.fr) following the live event.

In addition, a live meeting, to be conducted in French, has been scheduled for Thursday, March 27, 2014 at 10 AM CET at Maison des Arts & Métiers (Salon Liancourt), 9bis, avenue d'Iéna, Paris.

Webcast link to English language conference call:

http://www.media-server.com/m/p/otmy5xpe

Webcast access on mobile devices - QR code:

For access to the live and on demand webcast from any IOS apple or Android mobile devices:

Participant telephone numbers:

France:	+33 (0)1 70 99 42 76
United Kingdom:	+44 (0)20 3427 1901
US:	+1 212 444 0895

Confirmation Code: 5911562

Participants will need to provide the above code when dialing into the call.

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 certain forward-looking statements about the Company's financial situation, including statements about cash burn and statements about the future development of its candidate products. 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 and its Actualisation, which are available on the AMF website (http://www.amf-france.org) or on Transgene's website (www.transgene.fr).

Contacts

Transgene:
Elisabetta Castelli, Director, Investor Relations
+33 (0)3 88 27 91 21

Laurie Doyle, Director, Investor Relations US & Corporate Communications
+1 (339) 832 0752

investorrelations@transgene.fr

For media:
MC Services
Raimund Gabriel
+49 89 210 228 30
raimund.gabriel@mc-services.eu

Shaun Brown
+44 207 148 5998
shaun.brown@mc-services.eu

APPENDIX: 2013 CONSOLIDATED FINANCIAL STATEMENTS

Consolidated 2013 financial statements were approved by the Board of Directors on March 24, 2014, and will be submitted for approval by the shareholders of the Company during its next annual general meeting on June 18, 2014. Audit procedures have been performed and the delivery of the auditors' report is ongoing.

Appendix A: 2013 Financial Statements

Consolidated balance sheet (IFRS)

(in thousands of euros)

ASSETS	12/31/2013	12/31/2012*
Current assets		
Cash and cash equivalents	5,138	6,137
Other current financial assets	42,724	86,778
Cash, cash equivalents and other financial assets	**47,862**	**92,915**
Receivables	1,896	2,012
Inventories	975	1,107
Other current assets	10,616	2,340
Total current assets	**61,349**	**98,374**
Non-current assets		
Property, plant and equipment	23,988	24,805
Intangible assets	1,329	1,497
Financial assets	9,937	7,382
Equity consolidated affiliates	3,841	3,932
Other non-current assets	25,406	24,474
Total non-current assets	**64,501**	**62,090**
Total assets	**125,850**	**160,464**

EQUITY AND LIABILITIES	12/31/2013	12/31/2012*
Current liabilities		
Payables	9,364	9,587
Financial liabilities	8,830	961
Provisions for risk	103	2
Other current liabilities	5,699	8,853
Total current liabilities	**23,996**	**19,402**
Non-current liabilities		
Financial liabilities	40,788	38,006
Defined benefit obligations	4,444	4,584
Other non-current liabilities	-	252
Total non-current liabilities	**45,232**	**42,842**
Total liabilities	**69,228**	**62,244**
Equity		
Share capital	72,933	72,886
Share premiums	428 023	427,258
Retained earnings	(399,849)	(356,655)
Net loss for the year	42 858	(43,194)
Other comprehensive income	(1,627)	(2,075)
Total equity and reserves attributable to equity holders of the Company	**56,622**	**98,220**
Total equity and liabilities	**125,850**	**160,464**

**2012 financial statements modified according to the IAS19 revised effective retroactively from 1 January 2013.*

Consolidated income statement (IFRS)

(In thousands of euros, except per share data)

	12/31/2013	12/31/2012*
Revenue from collaborative and licensing agreements	3,849	3,928
Government financing for research expenditures	11,886	9,133
Revenue	**15,735**	**13,061**
Research and development expenses	(50,063)	(48,679)
General and administrative expenses	(6,769)	(6,610)
Other income and (expenses), net	(101)	93
Net operating expense	**(56,933)**	**(55,196)**
Operating income	**(41,198)**	**(42,135)**
Interest income and (expenses), net	(730)	(585)
Income/ (loss) before tax	**(41,928)**	**(42,720)**
Income tax expense	-	-
Income from equity affiliates	(930)	(474)
Net income/ loss	**(42,858)**	**(43,193)**
Net income per share (€)	(1.34)	(1.36)
Diluted earnings per share (€)	(1.34)	(1.36)

**2012 financial statements modified according to the IAS19 revised effective retroactively from 1 January 2013.*

Consolidated statement of comprehensive income (IFRS)

(In thousands of euros)

	12/31/2013	12/31/2012 *
Net income/(loss)	**(42,858)**	**(43,194)**
Foreign exchange gains / (losses)	(16)	11
Reevaluation of hedging instruments	217	(227)
Actuarial gains and losses on employee benefits provision	247	(1,367)
Other comprehensive income	**448**	**(1,583)**
Comprehensive income	**(42,410)**	**(44,777)**
Of which, Equity holders of the parent company	(42,410)	(44,777)
Of which, minority interests	-	-

**2012 financial statements modified according to the IAS19 revised effective retroactively from 1 January 2013.*

Statement of cash flows (IFRS)
(In thousands of euros)

	12/31/2013	12/31/2012*
Cash flows from operating activities		
Net Income	(42,858)	(43,194)
Elimination of financial result	731	594
Elimination of non-cash elements		
Income from equity affiliates	930	474
Changes in provisions	97	1,639
Depreciation and amortization of tangible and intangible assets	2,911	2,763
Payments in shares	742	855
Others	191	(1,233)
Net cash generated from/(used in) operating activities before change in working capital and other operating cash flow	**(37,256)**	**(38,102)**
Change in operating working capital		
Receivables	188	(1,614)
Inventories	133	(14)
Research tax credit	(9,073)	(8,418)
Other current assets	(614)	606
Payables	(156)	(1,283)
Prepaid income	(3,126)	(1,080)
Accrued Employee benefits expenses	(111)	459
Other current liabilities	(170)	(477)
Net cash generated from/(used in) operating activities	**50,185**	**(49,925)**
Cash flows from investing activities		
(Purchase) /disposal of property, plant and equipment	(1,962)	(1,688)
(Purchase)/ disposal of intangible assets	(222)	(261)
Other (purchases) /disposals	(2 446)	(2,631)
Net cash used in investing activities	**(4 630)**	**(4,578)**
Cash flows from financing activities		
Collected net financial result	244	194
Gross proceeds from issuance of share capital	70	(642)
Fees paid in relation to capital increase	-	-
Conditional subsidies	2,929	3,116
(Acquisition)/ disposal of current financial assets	43,931	50,582
Research tax credit financing	7,418	6,601
Repayment of finance lease liabilities	(760)	(955)
Net cash generated from /(used in) financing activities	**53,832**	**58,896**
Effect of change in exchange rates on cash and cash equivalents	(16)	11
Net increase (decrease) in cash and cash equivalents	**(999)**	**4,404**
Cash and cash equivalents at beginning of period	6,137	1,733
Closing cash and cash equivalents	**5,138**	**6,137**
Investments in other financial assets	42,724	86,778
Cash, cash equivalents and other financial assets	**47,862**	**92,915**

**2012 financial statements modified according to the IAS19 revised effective retroactively from 1 January 2013.*

Appendix B: Management Discussion on 2013 Financials

Revenue:

During the periods under review, revenues from collaborations and licensing agreements mainly included the following:

- Production or research services for third parties (including Jennerex, Inc. for Pexa-Vec (JX594/TG6006), which amounted to €2.2 million in 2013 (€1.8 million in 2012),

- "Upfront payment" or "milestone" income from product development (option given to Novartis in 2010 for TG4010), which amounted to €1.0 million in 2013 (€1.4 million in 2012), and

- Income related to commercial use of technologies or products provided under license by Transgene, which amounted to €0.6 million in 2013 (€0.7 million in 2012).

The amount received from Novartis under the option agreement signed between Transgene and that company in March 2010 pertaining to the product TG4010 (€7.4 million) is recognised in income in a staggered and linear manner over the period from the date of signing of the option agreement to the deadline estimated (by the Company) to exercise this option. The impact on the Company's revenues in 2013 amounted to €1.0 million (€1.4 million in 2012), and the balance (€0.2 million) is therefore to be recorded as revenue in the first quarter of 2014.

At 31 December 2013, public funding of research expenses corresponded to grants received and receivable, as well as the research tax credit. Research grants amounted to €3.1 million in 2013 (€0.7 million in 2012). In 2013, subsidies were provided mainly by the ADNA programme ("Advanced Diagnostics for New Therapeutic Approaches") funded by OSEO. Transgene could collect up to €1.2 million in additional funding over the remaining duration of the programme until 2016 (€0.3 million of additional revenue).

The research tax credit (CIR) totalled €8.9 million in 2013 (€8.4 million in 2012). The basics of eligible expenses (net subsidies received during the fiscal year) amounted to €29.6 million in 2013 and €27.6 million in 2012. The change in the net basis of expenses eligible for the research tax credit between 2012 and 2013 is attributable to both the growth of eligible expenses and the decrease in public funding for research expenses. Public funding for research expenditures, whether they are in the form of grants, subsidies or loans, are deducted from the basis of eligible R&D expenses for the purpose of calculating the research tax credit. The growth of eligible spending on research and development between 2012 and 2013 (€33.1 million in 2013, against €32.0 million in 2012) is related to the increase in external expenses for clinical trials (use of CROs or Contract Research Organisations) and the outsourcing of eligible research (€9.8 million in 2013 versus €9.3 million in 2012), as well as an increase in other operating expenses eligible for the CIR (€21.9 million in 2013versus €21.0 million in 2012). Public funding for research expenses removed from the basis for calculating the research tax credit amounted to €3.5 million in 2013 compared to €4.4 million in 2012.

Operating expenses:

Research and development expenditures ("R&D") amounted to €50.1 million in 2013, an increase of about 3% compared to 2012 (€48.7 million). As noted above, this increase is mainly due to increased spending on clinical trials.

The following table details research and development expenses by type:

In millions of Euros	12/31/2013	12/31/2012	Change
Employee benefits expenses	19.4	19.5	-1%
Payment in shares	0.6	0.7	-14%
Expenses on intellectual property and licensing costs	1.7	1.6	+6%
External expenses on clinical projects	12.5	11.7	+7%
External expenses on other projects	3.9	3.2	+22%
Operating expenses	9.3	9.2	+1%
Depreciation and provisions	2.7	2.8	-4%
Research and development expenses	**50.1**	**48.7**	**+3%**

Staff costs allocated to R&D (salaries, expenses and related expenditures), amounted to €19.4 million in 2013 compared to €19.5 million in 2012. The Company's R&D headcount remained relatively stable in 2013 (246 full-time equivalents in 2013 versus 247 in 2012).

Expenses on intellectual property and licensing amounted to €1.7 million in 2013 compared to €1.6 million in 2012.

External expenses for clinical trials amounted to €12.5 million in 2013 compared to €11.7 million in 2012. This increase (7%) is explained by the progress in clinical studies for key products: patient recruitment in the Phase 2b part of the Phase 2b /3 trial with TG4010 in lung cancer accelerated in 2013 (€8.1 million in 2013 compared to €6.1 million in 2012) and recruitment of patients increased in Pexa-Vec clinical trials (€3.4 million in 2013, against €2.7 million in 2012). Conversely, the phase 2b study of TG4040 in hepatitis C is being closed and the associated external expenses decreased in 2013 (€1.0 million in 2013, against €2.8 million in 2012).

Other external expenses, including expenses on research, preclinical and industrial projects, amounted to €3.9 million in 2013 compared to €3.2 million in 2012. This change was mainly due to new production and research services, including the pharmaceutical development of TG1050, an immunotherapy product for hepatitis B.

Operating expenses, including the cost of operating research laboratories and the production unit, amounted to €9.3 million in 2013 compared to €9.2 million in 2012.

The following table breaks down general and administrative expenses by type of expense:

In millions of Euros	12/31/2013	12/31/2012	Change
Employee benefits expenses	3.2	2.7	+19%
Payment in shares	0.2	0.2	NS
Professional and management fees	2.3	2.6	-12%
Other overhead expenses	0.9	1.0	-10%
Depreciation and provisions	0.2	0.1	+100%
General and administrative expenses	**6.8**	**6.6**	**+3%**

Staff costs amounted to €3.2 million in 2013 compared to €2.7 million in 2012. This increase was primarily due to the strengthening of the Company's business development and investor relations teams in the United States, as well as to severance payments. Support activity staff increased slightly between 2012 and 2013 (27 full-time equivalents in 2013 versus 25 in 2012).

Professional and management fees amounted to €2.3 million in 2013 compared to €2.6 million in 2012.

Interest income and (expenses), net:

Interest expenses, net of interest income, amounted to €0.7 million in 2013 (€0.6 million in 2012).

Financial income (investment income) amounted to €0.7 million in 2013 (€0.5 million in 2012).

The majority of interest expenses were bank interest on financing of the research tax credit refinancing (€0.4 million), bank interest related to the ADNA funding (€0.5 million) and a write-off of a debt owed by Platine Pharma Services SAS, an affiliate (€0.2 million).

Net loss:

Net loss amounted to €42.9 million in 2013 (€43.2 million in 2012). Net loss per share was €1.34 in 2013 (€1.36 in 2012).

Investments:

Tangible and intangible investments amounted to €2.1 million in 2013 (€2.0 million in 2012).

Transgene SA participated in the capital increases of Jennerex, Inc. and ElsaLys Biotech SAS, respectively for amounts of €1.9 million and €0.5 million. The Company also partially converted the current account to the capital of Platine Pharma Services SAS for €0.3 million.

Repayable loans and advances:

In 2013, Transgene received €2.9 million in repayable advances for the ADNA programme, which receives public funding from OSEO. Since the start of the ADNA programme, the Company has received €12.5 million in repayable advances under this programme. The Company may receive up

to €3.4 million in additional repayable advances over the remaining term of the ADNA programme, i.e., until 2016.

Liquidity and Capital Resources:

The cash assets are invested in very short-term mutual funds or invested at market conditions in a cash pool organised by Institut Mérieux, the majority shareholder of Transgene.

At 31 December 2013, the Company had €47.9 million in cash (€92.9 million at 31 December 2012).

At the date of this Reference Document, the Company had no bank debt subject to covenants.

Cash flow:

The Company's cash flows amounted to €45.0 million in 2013 (€46.6 million in 2012).

Post-closing events:

In January 2014, the Company decided to launch the construction phase of a new viral vector production unit in collaboration with Sanofi. The companies will jointly invest around €10 million over two years in the production unit, with Transgene's portion amounting to approximately €5 million. Sanofi will act as the Contract Manufacturing Organisation (CMO) and Transgene will be a privileged customer of the platform until 2028. This dedicated platform will be the exclusive property of Sanofi and will produce a new therapeutic class of active pharmaceutical ingredients (viral vectors).

On March 18, Transgene announced that its partner for the development of Pexa-Vec, US-based Jennerex, Inc., had been acquired by Sillajen, Inc. a Korean biotechnology company. Transgene owns approximately 8.5% of Jennerex on a fully diluted basis. Under the terms of the acquisition agreement, Transgene will receive approximately $3.8 million in cash at closing, with the initial payment to be booked in the first quarter of 2014. Transgene is also eligible to receive an additional $8.9 million in cash if all future clinical and regulatory milestones are achieved. The development and commercialization agreement for Pexa-Vec oncolytic immunotherapy between Transgene and Jennerex, Inc. now a wholly owned subsidiary of SillaJen, Inc. is not impacted by this transaction.

On February 28, 2014, Transgene announced the launch of a capital increase through a rights issue amounting €45.5 million through the issuance of 4.5 million new shares at €10 per share. This rights issue could be followed by a private placement of up to a maximum of 2 million new shares. These transactions were not closed at the time Transgene's Board of Directors approved the 2013 financial statements.

Risk factors:

Risk factors are presented in Section 4 of the *Document de Référence*.