

Transgene and the French League against Cancer Enter Partnership to Accelerate Research and Development of New Anticancer Biotherapies

Strasbourg, France, December 16, 2011 – Transgene S.A. (Euronext Paris: FR0005175080), a biotechnology company specializing in the development of innovative immunotherapies, and the *Ligue nationale contre le cancer* (the French league against cancer) an association with a recognized status of public interest, announce today that they signed a partnership agreement to accelerate the research and development of new anticancer biotherapies.

As early as 2000, the League initiated, financed and developed an ambitious programme, named "CIT" (for Carte d'Identité des Tumeurs, or identity card of tumours) in order to analyze the genes and chromosomal alterations in numerous cancers. The ultimate objective is the ability to better diagnose, predict disease evolution and response to treatments and to improve the therapeutic follow-up for each individual patient.

CIT allows, notably, to identify biomarkers or therapeutic targets linked to peculiar or tumour-specific cellular mechanisms, following the example of TG4010, a therapeutic vaccine currently in development by Transgene, that targets the MUC1 tumour antigen present in several types of cancers (lung, breast, prostate...). By bringing together their expertise, the League and Transgene aim at accelerating the development of specific drugs for certain tumours. This is the first collaboration between an important association fighting cancer and a biotechnology company.

"Targeted therapies are at the heart of Transgene's strategy, as shown by our TG4010 programme, now entering Phase 2b/3 clinical stage, developing simultaneously two biomarkers and a therapeutic vaccine," stated Philippe Archinard, Chairman and CEO of Transgene. He added: "So it is only natural that we decided to establish a long term strategic partnership with the League, which, along with a vast collection of tumours, has built a unique expertise in tumour analysis".

"The CIT programme is the fruit of the financing by the 103 League's Regional Committee. It has brought to light the fundamental mechanisms of tumour genesis and identified several genetic signatures that will permit to direct medical decisions" explained Pr. Jacqueline Godet, MD, Vice-Chairperson in charge of Research of the League. She also stated: "A major stake for the League is to make use of these findings to the benefit of the patients; this is why it is of importance to establish partnerships with biopharmaceutical companies having competencies recognized worldwide like Transgene, in order to accelerate the development of new anticancer therapies".

This collaboration will allow identifying cancer-specific membrane targets from gene expression data collected by the League on over 4,800 tumours. The partners vow to be exemplary regarding their respective missions, so as to put the patient back at the centre of the R&D operations and to implement at the earliest the results of their collaboration.

About Transgene:

Transgene, a member of the Institut Mérieux, is a biopharmaceutical company focused on the development of therapeutic vaccines and immunotherapeutic products in oncology and infectious diseases. The Company has four compounds in Phase 2 clinical trials: TG4010, JX594/TG6006 having both completed phase 2 trials TG4001 and TG4040). Transgene has entered into strategic collaborative agreements for the development of two of its immunotherapy products: (i) an option agreement with Novartis for an exclusive license to develop TG4010 in several cancers and (ii) an in-licensing agreement with US-based Jennerex Biotherapeutics, Inc., to develop and market JX594/TG6006, an oncolytic virus. Transgene has bio-manufacturing capacities for viral-based vectors. Additional information about Transgene can be found at www.transgene.fr.

About the Lique nationale contre le cancer :

First private finance provider for research against cancer in France, the League is an independent non-governmental organization relying on public generosity and the engagement of its militants. With over 750 000 donors and members and 12 000 constant volunteers, the League is a popular mouvement, federating 103 Regional Committees. Together they fight in three directions: search to cure, prevent to protect, accompagny to assist (for more information visit: www.ligue-cancer.net). The League's research policy is structured around fundamental research, clinical and epidemiological research and research in human and social sciences. It is independently and transparently driven by a scientific board at the national level as well as scientific boards at the regional and inter-regional levels. Bu initiating and financing projects reaching from the fundamental research to the patient's bed, the League gives rise to important progress in the treatment and quality of life of the diseased.

Disclaimer:

This press release contains forward-looking statements referring to the clinical testing and development of Transgene's product candidates. Clinical testing and successful product development depend on a variety of factors, including the timing and success of future patient enrolment and the risk of unanticipated adverse patient reactions. 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 use. For further information on the risks and uncertainties involved in the testing and development of Transgene's product candidates, see Trangene'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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