First Quarter 2013 Financial Report

Strasbourg, France, April 22, 2013 – Transgene (Euronext Paris: FR0005175080) today issues its quarterly financial report as of March 31, 2013 (first quarter of 2013).

Revenue:

The following table summarizes the first quarter operating revenue[1] for 2013 compared to the same period in 2012:

	Q1	
In thousands of euros	**2013**	**2012**
Revenue from collaborative and licensing agreements	801	801
Government financing for research expenditures	2,839	2,828
Operating revenue	**3,640**	**3,629**

During the first quarter of 2013, revenue from collaborative and licensing agreements were principally composed of: (i) manufacturing services for Jennerex, Inc., strategic partner of Transgene for the development of JX594/TG6006, (ii) revenue from the payment made in 2010 by Novartis for the exclusive option agreement on TG4010, and (iii) royalty from technologies or products licensed by Transgene.

As of March 31, 2013, government financing for research expenditures corresponds to: (i) an estimate of the income accrued during the period for subsidies received and/or to be received (839 thousands of euros), and (ii) a quarter of the research tax credit expected for 2013 (2 million euros).

Cash, Cash Equivalents, Available-for-sale Financial Assets and other Financial Assets:

Cash, cash equivalents, available-for-sale financial assets and other financial assets amounted to 80.1 million euros as of March 31, 2013, compared to 92.9 million euros as of December 31, 2012. Consumption of cash[2] amounted to 12.8 million euros in the first quarter of 2013, to be compared with 15.7 million euros in the first quarter of 2012. Transgene expects a cash consumption of around 50 million euros in 2013.

[1] *Unaudited and not subject to approval by the Board of Directors.*
[2] *Cash, cash equivalents, available-for-sale financial assets and other financial assets.*

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 Trangene'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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