Transgene: Cash position of €72.9 million as of September 30, 2009

Parc d'Innovation, Illkirch, France, October 19, 2009 – Transgene S.A. (Euronext Paris: FR0005175080) today announced that cash, cash equivalents and short-term financial assets totalled €72.9 million at September 30, 2009 compared to €86.7 million at December 31, 2008. For the first nine months of 2009, net cash expenditures amounted to €13.8 million compared to €19.7 million in the same period of 2008. Transgene anticipates a net cash burn of approximately €22m for 2009, excluding potential partnership revenues. *(IAS/IFRS, unaudited figures.)*

Third quarter highlights:

On September 2nd, 2009, Transgene announced the launch of the Phase IIb conducted by Roche with the TG4001/R3484 targeted immunotherapeutic product for the treatment of HPV-induced diseases. The first patient was enrolled on October 9th, 2009 in the U.S.

Transgene is bringing to clinical trials the TG4023 oncology product candidate for the treatment of hepatocellular carcinomas and metastasis in the liver of other cancers, mainly colorectal cancer (mCRC). Several patients are currently undergoing screening for inclusion in the study.

About Transgene

Transgene is a France-based biopharmaceutical company dedicated to the development of immunotherapeutic products in oncology and infectious diseases. The company has three compounds in Phase II trials (TG4001/R3484, TG4010 and TG1042) and two compounds in Phase I studies (TG4040 and TG4023). Transgene has concluded a strategic partnership agreement with Roche for the development of its TG4001/R3484 immunotherapeutic product to treat HPV-mediated diseases. Transgene has bio-manufacturing capacities for viral-based vectors. Additional information about Transgene is available on the Internet at www.transgene.fr.

Cautionary note regarding forward-looking statements

This press release contains forward-looking statements referring to the planned clinical testing and development of Transgene's therapeutic vaccine candidates and anticipated cash consumption. However, 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. The Company's anticipated cash consumption for 2009 is based on currently anticipated costs for on-going and planned product development and testing, but may increase in the event of unanticipated expenses. 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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