REGULATED INFORMATION
AUGUST 20, 2013

TiGenix Business Update & Financial Highlights for the First Half of 2013

- **ChondroCelect revenues up 55%**
- **Enrollment lead program Cx601 on track**
- **Advanced discussions for partnering of Cx601 and to monetize manufacturing facility**

Leuven (BELGIUM) – August 20, 2013 – TiGenix NV (NYSE Euronext: TIG), the European leader in cell therapy, gives an update of its business activities and provides key financial data for the half year ending June 30, 2013.

Business highlights

- ChondroCelect:
  - ChondroCelect sales EUR 2.3 million, up 55% from H1 2012
  - ChondroCelect obtains national reimbursement in Spain
- Product development pipeline
  - ADMIRE-CD Phase III trial (Cx601) in complex perianal fistula enrollment on track
  - Cx611 Phase IIa in rheumatoid arthritis (RA) shows good safety data and first evidence of therapeutic activity in RA patients
- Corporate:
  - Madrid production facility renews GMP license

Financial highlights

- ChondroCelect sales of EUR 2.3 million
- Loss for the period reduced by 11%
- EUR 3.7 million cash on hand at June 30 (and, after private placement completed on July 26, EUR 8.9 million on July 31)

"Despite challenging conditions we continue to make significant progress in reaching our corporate objectives," says Eduardo Bravo, CEO of TiGenix. "We are in advanced discussions to license our lead program Cx601, and we remain confident that we can conclude our partnering discussions before year-end. This will bring some non-dilutive funds plus external validation of our innovative platform of adipose derived stem cells. In addition, we are making progress with a number of players in the cell therapy space to allow us to monetize our state-of-the-art cell therapy facility in the Netherlands. This transaction should further decrease our fixed cost base and reduce operational complexity."

Business update

Commercial roll-out of ChondroCelect continues apace

ChondroCelect sales for the first half of 2013 amounted to EUR 2.3 million, up 55% compared to the same period of last year on a like for like basis.

Current revenues are still mainly fueled by sales in Belgium and the Netherlands. Based on increased traction with private payers in the UK, the Company expects that the UK market will start making a more substantial contribution to ChondroCelect sales in the second half of the year.

Similarly, based on its pre-marketing activities in Spain, the Company expects the Spanish market to start contributing to ChondroCelect's continued growth in the last four months of the year. Taken together, the Company anticipates that the growth will be maintained for the second half of this year and will further increase in 2014, turning ChondroCelect a cash flow positive asset in the course of 2014.

ADMIRE-CD Phase III trial (Cx601) in complex perianal fistula in Crohn's Disease - enrollment on track

The enrollment of the ADMIRE-CD trial remains on track. Recruitment of this Phase III study is expected to be finalized in early 2014, and should allow the Company to file for marketing authorization with the European Medicines Agency in the first half of 2015. The product has orphan drug designation and could be launched in Europe in 2016.

ADMIRE-CD is a multicenter, randomized, double-blind, placebo-controlled pivotal Phase III trial that is to enroll approximately 278 patients at 46 centers across 7 European countries and Israel.

TiGenix is in advanced discussions with a number of companies in connection with the rights to Cx601 for different geographic regions and remains confident that it can close an agreement before year-end.

Cx611 Phase IIa reports good safety and first indication of efficacy in refractory rheumatoid arthritis

On April 22, the Company announced that its 6-month multicenter, randomized, single-blind, placebo-controlled Phase IIa study of Cx611 in refractory rheumatoid arthritis (RA) met all of its endpoints of safety and therapeutic activity on standard outcome measures of inflammation for at least three months after dosing. Preliminary results suggest Cx611 has the potential to positively impact disease in refractory patients, showing a clear improvement over placebo over three months and a sustained benefit over six months. Four patients were in DAS28 (one of the key outcome measures of RA studies) remission after six months, which is a remarkable result in this difficult to treat patient population.

The Company is working closely together with an advisory board of key opinion leaders on the appropriate design of follow-up studies for Cx611/Cx621 in RA and other autoimmune disorders and expects to finalize the development plan before year-end.

Exploratory partnering discussions are underway with a number of companies.

Manufacturing facilities in Spain and the Netherlands

In January, Spanish health authorities renewed TiGenix's manufacturing authorization for stem cell products at its GMP facility in Madrid, Spain, where the Company manufactures high-quality, clinical grade allogeneic stem cell products to fuel its key clinical programs. This approval supports the leading position of TiGenix in the allogeneic cell therapy production and demonstrates the robustness of the current manufacturing process.

TiGenix is in advanced discussions with several companies that are active in cell therapy to monetize the state-of-the-art European GMP cell therapy facility the Company operates in Sittard-Geleen, the Netherlands, to manufacture commercial grade ChondroCelect. Such a transaction should bring non-dilutive funds to the Company, reduce operational complexity and improve the margins of ChondroCelect at least in the first years.

TiGenix

Financial results for the first half of 2013

Key figures (Thousands of Euro, except number of employees)

Thousands of Euro (€)	Period ended June 30 2013	2012
CONSOLIDATED INCOME STATEMENT		
CONTINUING OPERATIONS		
Sales	**2.288**	**2.129**
Gross sales	*2.288*	*1.471*
Deferred sales	*0*	*658*
Cost of sales	-611	-391
Gross profit	**1.677**	**1.738**
Research and development expenses	-6.689	-7.396
Sales and marketing expenses	-2.105	-1.153
General and administrative expenses	-2.514	-3.143
Total operating charges	**-11.919**	**-11.691**
Other operating income	763	787
Operating Result	**-8.868**	**-9.166**
Interest income	5	50
Interest expenses	-30	-33
Foreign exchange differences	-38	-358
Profit/(Loss) before taxes	**-8.929**	**-9.507**
Income taxes	42	0
Profit/(Loss) for the period from continuing operations	**-8.888**	**-9.507**
DISCONTINUED OPERATIONS		
Profit/(Loss) for the period from discontinued operations	51	-461
Profit/(Loss) for the period	**-8.837**	**-9.968**
Attributable to equity holders of TiGenix NV	*-8.837*	*-9.968*
Cash and cash equivalents (*)	**3.738**	**11.727**
Number of employees and mandate contractors	**64**	**69**

(*) cash position of EUR 8.9 million on July 31, 2013

Sales for the first 6 months of EUR 2.3 million

Sales for ChondroCelect for the first six months of 2013 were EUR 2.3 million, a 55% increase compared with the same period last year on a like for like basis, reflecting the continued uptake in Belgium and the Netherlands which still remain the key markets for 2013.

Loss for the period reduced by 11%

Loss for the first six months of 2013 amounted to EUR 8.9 million, compared to EUR 10.0 million in the same period of 2012. This decrease of 11% is the direct result of strict cost control measures resulting from the reduction in G&A expenses and the number of employees and mandate contractors, and the near completion of the divestment of the TiGenix Ltd. Additionally, during the first half of 2013, R&D expenses show a slight reduction due to the completion of the Cx611 Phase IIa clinical trial.

Net cash used for the period of EUR 7.3 million

Net cash used during the first six months of 2013 was EUR 7.3 million, based on a use of cash of EUR 1.2 million per month, which is below management's guidance of EUR 1.5 million per month.

Material events after the reporting period – cash position of EUR 8.9 million on July 31, 2013

On July 26, the Company completed a private placement raising EUR 6.5 million, placing new shares with mainly international healthcare specialist investors selected via the accelerated book-building procedure. Taking account of the proceeds of the private placement, as well as the operational costs for the month of July, the Company had a cash position of EUR 8.9 million on July 31, 2013.

Outlook & action plan

To cover a period of at least 12 months following the date of publication of these interim financial statements, additional working capital of approximately EUR 12 million is needed, in the assumption that no additional programs to the current ones are launched. The Company intends to provide for this additional working capital by means of the following actions:

- Growth of the projected ChondroCelect sales in line with the trend experienced in the first 6 months of 2013 on a like-for-like basis over the same period 2012;
- Partnering of Cx601 (i.e. finding a partner for the co-development and/or commercialization of Cx601 in different regions);
- Monetizing of some assets, such as the Dutch manufacturing facility (which was constructed by the Company in a building leased under a long-term lease contract running until July 2029);
- Additional non-dilutive funding, such as grants or soft loans;
- Additional dilutive funding (i.e. capital increase).

Auditor's limited review

The statutory auditors BDO Bedrijfsrevisoren Burg.Ven.CBVA´s review can be found in the H1 2013 Condensed Consolidated Financial Statements in the investor section on our website at www.tigenix.com

Financial Half Year Results

The H1 2013 interim financial statements can be found in the investor section on our website www.tigenix.com

Conference call webcast

On August 20, at 14:00 Central European Time (CET), TiGenix will conduct a conference call webcast.

To participate in the conference call, please dial:

+32 2 620 0138 (Belgium)
+ +31 20 721 9158 (NL)
+44 20 3427 1900 (UK)
+1 212 444 0896 (US)

+34 91 114 6583 (Spain)

The online live webcast can be followed via the link:

http://www.media-server.com/m/p/5ppu3wbm

Following an update of the business activities and presentation of the financial results, the participants will be able to ask questions.

The press release and the presentation will be made available in the Investor and Newsroom sections on our website.

A replay of the webcast will be available shortly after the conference call.

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About TiGenix

TiGenix NV (NYSE Euronext: TIG) is a leading European cell therapy company with a marketed cell therapy product for cartilage repair, ChondroCelect®, and a strong pipeline with clinical stage allogeneic adult stem cell programs for the treatment of autoimmune and inflammatory diseases. TiGenix is based out of Leuven (Belgium) and has operations in Madrid (Spain), and Sittard-Geleen (the Netherlands). For more information please visit www.tigenix.com.

Forward-looking information

This document may contain forward-looking statements and estimates with respect to the anticipated future performance of TiGenix and the market in which it operates. Certain of these statements, forecasts and estimates can be recognised by the use of words such as, without limitation, "believes", "anticipates", "expects", "intends", "plans", "seeks", "estimates", "may", "will" and "continue" and similar expressions. They include all matters that are not historical facts. Such statements, forecasts and estimates are based on various assumptions and assessments of known and unknown risks, uncertainties and other factors, which were deemed reasonable when made but may or may not prove to be correct. Actual events are difficult to predict and may depend upon factors that are beyond TiGenix' control. Therefore, actual results, the financial condition, performance or achievements of TiGenix, or industry results, may turn out to be materially different from any future results, performance or achievements expressed or implied by such statements, forecasts and estimates. Given these uncertainties, no representations are made as to the accuracy or fairness of such forward-looking statements, forecasts and estimates. Furthermore, forward-looking statements, forecasts and estimates only speak as of the date of the publication of this document. TiGenix disclaims any obligation to update any such forward-looking statement, forecast or estimates to reflect any change in TiGenix' expectations with regard thereto, or any change in events, conditions or circumstances on which any such statement, forecast or estimate is based, except to the extent required by Belgian law.