

TiGenix completes the sale of its Dutch manufacturing facility to PharmaCell

- **TiGenix to receive a total consideration of Euro 5.75 million**
- **PharmaCell will continue to manufacture ChondroCelect, which Sobi will market and distribute**
- **TiGenix to focus on bringing its development pipeline to patients**

Leuven, Belgium – 2 June, 2014 – TiGenix NV (Euronext Brussels: TIG), the European leader in cell therapy, announced today that it has completed the sale of its Dutch production facility to PharmaCell BV for a total consideration of Euro 5.75 million. PharmaCell, a leading European contract manufacturing organisation active in the areas of cell therapy and regenerative medicine, has acquired the shares of TiGenix' wholly-owned subsidiary, TiGenix BV, which holds the Dutch manufacturing facility.

The TiGenix state-of-the-art manufacturing facility is located in Sittard Geleen in the Netherlands. In 2012, the site passed a cGMP (current Good Manufacturing Practice) inspection by the Dutch authorities, and obtained approval from the European Medicines Agency for the production of ChondroCelect, the company's cell therapy product for cartilage repair in the knee.

TiGenix has received an upfront payment of Euro 3.5 million, and will receive a final payment of Euro 0.75 million in 2017. ChondroCelect will continue to be manufactured at the facility under a long-term manufacturing agreement, under the terms of which TiGenix will benefit from a cost relief of Euro 1.5 million during the first three years, the largest portion of which comes in the first year.

"The sale of the Dutch manufacturing facility together with the agreement to license the marketing and distribution rights of ChondroCelect to Sobi, which was signed in April, have transformed TiGenix," said Eduardo Bravo, CEO of TiGenix. "The combination of these two deals brings an immediate cash inflow of Euro 3.5 million to TiGenix, and a reduction in annual operating costs for manufacturing, sales and marketing of at least Euro 5 million. The broader geographical reach for ChondroCelect offered by Sobi will give TiGenix the potential for greater value generation in the long-term. TiGenix itself can now fully focus on progressing its promising advanced clinical stage pipeline to patients with high unmet medical need."

For more information

Richard Simpson
Senior Consultant, Comfi sprl
T: +32 494 578 278
richard@comfi.be

About ChondroCelect

ChondroCelect, indicated for cartilage repair in the knee, was the first cell-based product approved in Europe that successfully completed the entire development track from research through clinical development to European approval through the centralised procedure. ChondroCelect received European Marketing Authorisation in October 2009 as the first Advanced Therapy Medicinal Product, and was approved for reimbursement in Belgium in February 2011, in the Netherlands in June 2012 (retroactively to January 2011) and in Spain in March 2013. In addition to these three countries, ChondroCelect is also currently being commercialised in the UK through TiGenix's commercial team (from 1 June 2014 by Sobi) as well as in Finland through the Finnish Red Cross Blood Services with which TiGenix has a distribution agreement. Further to the agreement announced on 3 April 2014, the marketing and distribution of ChondroCelect in Europe, the Middle East and North Africa are licensed to Sobi (Swedish Orphan Biovitrum AB) from 1 June 2014.

ChondroCelect is a cell-based medicinal product for use in autologous chondrocyte implantation in which cells are taken from the patient's own knee, multiplied to reach a large quantity, and then re-implanted at the site of the defect. ChondroCelect is indicated for the repair of single symptomatic cartilage defects of the femoral condyle of the knee (International Cartilage Repair Society grades III or IV) in adults.

Treatment with ChondroCelect comprises a two-step surgical procedure. In the first step, a cartilage biopsy is obtained arthroscopically from healthy articular cartilage from a lesser-weight bearing area of the patient's knee. Chondrocytes are isolated from the biopsy, expanded in vitro through a process based on cell characterisation, and delivered as a suspension for implantation in the same patient. ChondroCelect can be delivered nine weeks from the day of biopsy.

About TiGenix

TiGenix NV (Euronext Brussels: TIG) is a leading European cell therapy company with a marketed product for cartilage repair, ChondroCelect®, and a pipeline of clinical stage allogeneic adult stem cell programmes for the treatment of autoimmune and inflammatory diseases. TiGenix is headquartered in Leuven (Belgium) and also has operations in Madrid (Spain). 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 the Company's 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 the Company's 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.