

Transgene in Collaboration with Emergent BioSolutions to Receive NIH Funding to Support Development of a Novel Immunotherapy against Tuberculosis

Strasbourg, France, October 30, 2013 – Transgene SA (NYSE-Euronext: TNG) announced today that it has been granted a sub-award from Emergent BioSolutions Inc. (NYSE:EBS) under its existing grant of approximately \$5 million from the U.S. National Institute of Allergy and Infectious Diseases (NIAID), part of the U.S. National Institutes of Health (NIH)¹. The funding will be used to advance Transgene's tuberculosis (TB) immunotherapy program.

Transgene's TB program is focused on developing a targeted immunotherapeutic to treat active TB, including resistant TB, utilizing the Company's core viral vector technology. These novel immunotherapeutics contain, among other elements, a large array of TB proteins expressed during all phases of both active and latent infection. An immunotherapy approach offers the potential, especially for patients whose disease has become resistant to treatment, to enhance the effectiveness of current antibacterial therapies by correcting the immune system's faulty response to the disease. Several potential product candidates have been generated by Transgene and are currently being evaluated to determine the best candidate to advance into further development.

Transgene has entered into a collaboration with Emergent BioSolutions for cell line process development and manufacturing for Transgene's TB development candidate. Emergent BioSolutions' significant expertise in process development and manufacturing complements Transgene's capabilities.

Transgene retains all development and commercialization rights to candidates generated under this NIAID-funded program.

"There is an urgent need for new treatments for tuberculosis, which remains an acute problem in emerging countries and is rapidly reappearing in parts of the developed world, notably Europe. The NIAID funding, as well as the collaboration with Emergent BioSolutions, should accelerate Transgene's TB immunotherapy development program, which seeks to help address this major medical need," said Philippe Archinard, Chairman and Chief Executive Officer of Transgene. He added: "Our TB program, a unique, truly innovative antigenic combination, is a good example of the adaptability of Transgene's viral vector-based immunotherapy core technology and the productivity of our R&D engine."

About Tuberculosis (TB):

TB is an infectious disease that primarily affects the lungs and can be lethal if left untreated or when resistance is developed. TB remains one of the deadliest infectious diseases in the

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world. According to WHO (World Health Organization), in 2011, there were an estimated 8.7 million new cases of TB and 1.4 million people died from the disease. A major issue of TB infection is the development of resistance to primary antibiotic treatment. Such cases amount to approximately 500,000 cases worldwide. The success rate of second-line therapy to treat patients whose disease has become resistant to treatment varies widely, from 15-60% depending on the degree of resistance, and requires 18-30 months of application.

There is currently only one available TB vaccine, Bacille Calmette-Guérin (BCG), developed in 1921, which is widely used and effective in preventing severe forms of TB in children. However, BCG has little to no efficacy in preventing pulmonary TB, the most common and infectious form of TB in adults and adolescents, and is unsafe to use in newborns with HIV.

Thus, new immunotherapies are needed for those populations for whom there is today no effective treatment, as well as to overcome resistance and to shorten treatment duration.

About Transgene SA

Transgene, a member of the Institut Mérieux Group, is a publicly traded French biopharmaceutical company focused on discovering, developing and manufacturing targeted immunotherapies for the treatment of cancer and infectious diseases. Transgene's programs utilize well-tolerated viruses with the goal of indirectly or directly killing infected or cancerous cells. The Company's four clinical-stage programs are: TG4010 for non-small cell lung cancer; Pexa-Vec for liver cancer; TG4001 for oropharyngeal cancer (under a collaboration agreement with the EORTC) and TG4040 for chronic Hepatitis C. Transgene has concluded corporate strategic agreements for the development of two of its immunotherapy products: an exclusive option agreement with Novartis for the development and commercialization of TG4010 and an in-licensing agreement with US-based Jennerex, Inc. for the development and commercialization of Pexa-Vec in certain territories. The Company also has several programs in research and pre-clinical development that are based on its core viral vector technology. Transgene is based in Strasbourg, France, and has additional operations in Lyon, as well as satellite offices in China and the U.S. Additional information about Transgene is available at www.transgene.fr.

Transgene Forward-Looking Statements

This press release contains forward-looking statements. Such statements are based on the current plan of product development and testing. This plan may change in the future and, as such, Transgene may not meet currently anticipated development milestones. For further information on the risks and uncertainties involved in the testing and development of Transgene's product candidates, see Transgene'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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