



**PLURISTEM ANNOUNCES PRICING OF PUBLIC OFFERING OF COMMON STOCK
AND WARRANTS TO PURCHASE COMMON STOCK**

Haifa, Israel – September 13, 2012 – Pluristem Therapeutics Inc. (NASDAQCM: PSTI, TASE: PLTR) announced that it has priced a firm commitment underwritten public offering of 8,000,000 units, with each unit consisting of one share of the company's common stock and one warrant to purchase 0.35 of a share of the company's common stock, at a purchase price of \$4.00 per unit for an aggregate gross offering amount of \$32 million. The offering is expected to close on or about September 19, 2012, subject to customary closing conditions. Each warrant will be exercisable for a period of 5 years following the issuance thereof at an exercise price of \$5.00. The company has also granted the underwriters a 30-day option to purchase up to 1,200,000 shares of common stock and/or warrants to purchase up to 420,000 shares of common stock to cover over-allotments, if any.

Jefferies & Company, Inc. is acting as sole book-running manager for the offering. Oppenheimer & Co. Inc. is acting as co-lead manager for the offering. Needham & Company, LLC and Maxim Group LLC are acting as co-managers for the offering. In addition, Leader Capital Markets Ltd. is acting as a financial advisor to the company in connection with the offering.

The securities described above are being offered by Pluristem pursuant to a “shelf” registration statement previously declared effective by the Securities and Exchange Commission (SEC) on October 20, 2011 (File No. 333-177009). Before you invest, you should read the prospectus supplement and accompanying prospectus, the registration statement, and the other documents that Pluristem has filed with the SEC for more complete information about Pluristem and this offering. A final prospectus supplement and an accompanying prospectus will be filed with the SEC in connection with the offering. Once filed, copies of the final prospectus supplement relating to these securities may be obtained from Jefferies & Company, Inc., Attention: Equity Syndicate Prospectus Department, 520 Madison Avenue, 12th Floor, New York, NY, 10022, or by telephone at 877-547-6340, or by email at [Prospectus Department@Jefferies.com](mailto:Prospectus_Department@Jefferies.com). Investors may also obtain these documents for no charge by visiting the SEC's website at www.sec.gov.

This press release shall not constitute an offer to sell, or a solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such an offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

About Pluristem Therapeutics Inc.:

Pluristem Therapeutics Inc. is a bio-therapeutics company dedicated to the commercialization of non-personalized (allogeneic) cell therapy products for the treatment of several severe inflammatory and ischemic disorders.

This press release contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995 and federal securities laws. For example, we are using forward looking statements when we discuss our public offering and its anticipated closing date. Any such statements, whether expressed or implied, are subject to risks and uncertainties which can cause actual results to differ materially from those currently anticipated due to a number of factors which include, but are not limited to, risks and uncertainties associated with market conditions and the satisfaction of customary closing conditions related to the offering, and other risk factors discussed in the company's Annual Report on Form 10-K for the year ended June 30, 2012 and other documents filed with the Securities and Exchange Commission from time to time. These forward-looking statements represent the company's judgment as of the date of this news release. Except as otherwise required by law, the company disclaims any intent or obligation to update these forward-looking statements.

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Contact:

Pluristem Therapeutics Inc.

*Daya Lettvin
Investor & Media Relations Director
Tel: +972-74-710-7131 Cell: +972-54-674-5580
MATAM Park, Building 20, Haifa 31905, Israel
daya@pluristem.com*

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