



PLURISTEM ANNOUNCES CLOSING OF UNDERWRITERS' OPTION TO PURCHASE ADDITIONAL COMMON STOCK

Haifa, Israel – September 24, 2012 – Pluristem Therapeutics Inc. (NASDAQCM: PSTI, TASE: PLTR), today announced the closing of the exercise in full of the underwriters' option to purchase an additional 1,200,000 shares of common stock of the company. As previously announced, as part of the firm commitment underwritten public offering that was closed on September 19, 2012, the company 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. The underwriters previously exercised their option to purchase 1,200,000 warrants to purchase up to 420,000 of the company's common stock at an exercise price of \$5.00 per share, at a purchase price of \$0.0094 per warrant and have now also exercised their option to purchase 1,200,000 shares of common stock at \$3.7506 per share. The gross proceeds to the company as a result of the exercise of this option are approximately \$4.5 million.

The aggregate net proceeds to the Company from the offering, including from the exercise in full of the options, are approximately \$34 million, assuming no exercise of the warrants and after deducting underwriting commissions and discounts and estimated offering expenses payable by the company.

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

The securities described above were 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). Copies of the prospectus supplement and the accompanying prospectus relating to this offering may be obtained by sending a request to 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.

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.

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

#