Pluristem Enters into Licensing Agreement with TES Holdings Co., Ltd., a venture company derived from the University of Tokyo, to Acquire Rights for Placental Cell Therapy Patent for Variety of Ischemic Conditions including Heart Disease and Stroke

HAIFA, ISRAEL, April 21, 2016 -- Pluristem Therapeutics Inc. (NasdaqCM: PSTI, TASE: PLTR), a leading developer of placenta-derived cell therapy products, today announced that it has entered into a licensing agreement with TES Holdings Co., Ltd., a venture company derived from the University of Tokyo, to obtain a key patent in Japan to cover the treatment of ischemic diseases with placental cell therapy rounding out the Company's IP coverage. This license follows Pluristem's recent announcement that the Japan Patent Office granted the Company two key patents addressing three-dimensional methods for expanding placental and adipose cells, and specified cell therapies produced from placental tissue using these methods.

The Japanese Patent No. 4554940 is titled "Drug containing human placenta-derived mesenchymal cells and process for producing VEGF employing said cells". The patent covers use of all placenta-derived mesenchymal cells that are able to produce VEGF, a signaling protein that promotes the growth of new blood vessels, which the body needs to address the damage in ischemic tissue in the heart, brain, skeletal muscle, or elsewhere in the body. The listed inventors of the patent are Dr. Naohide Yamashita, Professor at the Department of Advanced Medical Science, University of Tokyo, Dr. Takashi Nakaoka, and Dr. Toshihide Nishishita. The patent is valid through 2023 and may be eligible for up to five years of patent term extension. Ischemic indications covered by the patent include the two leading causes of death worldwide – ischemic heart disease and stroke – as ranked by the World Health Organization, in addition to peripheral artery disease. Pluristem recently received clearance of its protocol for a Japanese pre-marketing trial in critical limb ischemia, a type of peripheral artery disease.

Akio Hayashi, President of TES Holdings, which manages the commercialization of this IP, commented, "Placenta-derived cell therapies may significantly improve the health and wellbeing of millions of people who suffer from ischemic disease. We are pleased that Pluristem, which is a leading player in the world's regenerative medicine space, has licensed this patent because their unique experience with placental cell therapies make them optimally positioned to use knowledge developed at the University of Tokyo which demonstrates Japan's strong capabilities in this space. We hope that this cooperation will advance the regenerative medicine industry and benefit the people with unmet medical needs."

“The University of Tokyo is well known in for its cutting edge research in the field of cell therapy, and we are happy to expand our cooperation with this world class academic institution. As we prepare to initiate a clinical trial in critical limb ischemia targeting conditional marketing approval via Japan’s new accelerated regulatory pathway for regenerative medicine, our patents addressing placental cell therapies remain a core asset and important to our current negotiations with large pharmaceutical companies regarding potential partnerships in Japan,” stated Pluristem Chairman and CEO Zami Aberman.

“This latest Japanese patent covers the use of placental treatments in any ischemic indication, including heart disease and stroke, which are multi-billion dollar markets. We are securing the IP landscape for placental cell therapies in Japan, which is particularly important because Japan is a large potential market for our cell products, together with the U.S. and Europe, and the world’s leader in facilitating the commercialization of regenerative medicines,” Aberman concluded.

About Ischemic Diseases

Ischemia is an insufficient supply of blood to an organ or tissue, usually due to a blocked artery. Myocardial ischemia can lead to a heart attack, which is the leading cause of death in the United states and Japan. Cerebral ischemia occurs when arteries are blocked in the brain, and can lead to a stroke, brain damage and death. About 80-85% of all strokes are ischemic. When cholesterol blocks the arteries in the leg, patients develop peripheral artery disease, which includes intermittent claudication and critical limb ischemia. The latter condition often leads to severe illness, amputation and death, and over a million patients suffer from it in the U.S. alone.

About Pluristem Therapeutics

Pluristem Therapeutics Inc. is a leading developer of placenta-based cell therapy products. The Company has reported robust clinical trial data in multiple indications for its patented PLX (PLacental eXpanded) cells. The cells release a cocktail of therapeutic proteins in response to inflammation, ischemia, hematological disorders, and radiation damage. PLX cell products are grown using the Company's proprietary three-dimensional expansion technology. They are off-the-shelf, requiring no tissue matching prior to administration.

Pluristem has a strong intellectual property position; Company-owned and operated, GMP-certified manufacturing and research facilities; strategic relationships with major research institutions; and a seasoned management team.

Safe Harbor Statement

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, forward-looking statements are used in this press release when we discuss the duration of the IP protection provided by the Japanese patent, when we discuss potential partnerships for the development and commercialization of our PLX cells in Japan, when we discuss our plan to obtain marketing approval in Japan via Japan’s accelerated regulatory pathway for regenerative medicines and when we discuss the market size with respect to heart

disease and stroke. These forward-looking statements and their implications are based on the current expectations of the management of Pluristem only, and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. The following factors, among others, could cause actual results to differ materially from those described in the forward-looking statements: changes in technology and market requirements; we may encounter delays or obstacles in launching and/or successfully completing our clinical trials; our products may not be approved by regulatory agencies, our technology may not be validated as we progress further and our methods may not be accepted by the scientific community; we may be unable to retain or attract key employees whose knowledge is essential to the development of our products; unforeseen scientific difficulties may develop with our process; our products may wind up being more expensive than we anticipate; results in the laboratory may not translate to equally good results in real surgical settings; results of preclinical studies may not correlate with the results of human clinical trials; our patents may not be sufficient; our products may harm recipients; changes in legislation; inability to timely develop and introduce new technologies, products and applications; loss of market share and pressure on pricing resulting from competition, which could cause the actual results or performance of Pluristem to differ materially from those contemplated in such forward-looking statements. Except as otherwise required by law, Pluristem undertakes no obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events. For a more detailed description of the risks and uncertainties affecting Pluristem, reference is made to Pluristem's reports filed from time to time with the Securities and Exchange Commission.

Contact:

Pluristem Therapeutics Inc.
Karine Kleinhaus, MD, MPH
Divisional VP, North America
1-914-512-4109
karinek@pluristem.com