

**PRESS RELEASE  
JUNE 1, 2007**

## **TiGenix announces the acquisition of a US cell expansion facility**

**Leuven (BELGIUM) – June 1, 2007, 8:30 CET – TiGenix (EURONEXT: TIG), the biomedical company focused on innovative local treatments for damaged and osteoarthritic joints, announces today that it has acquired the assets of a Memphis, Tennessee (US) based cell expansion facility from Cell Genesys.**

The recently formed joint venture asset management company between TiGenix and Cognate BioServices entered into an agreement with Cell Genesys for the acquisition of the assets of a fully equipped cell expansion facility no longer required by Cell Genesys for USD 2.2 million (EUR 1.66 million) in cash. The joint venture will also take over the leasehold rights of the facility. The region of Memphis has granted the joint venture a tax credit which will save the company USD 340,000 (EUR 256,000) over the coming years.

Through the joint venture, TiGenix and Cognate BioServices are equally sharing acquisition, lease and maintenance costs of the facility. Both companies will use part of the facility for their cell culture operations. TiGenix will use the facility to manufacture ChondroCelect<sup>®</sup> for the North-American markets. Cell Genesys will continue to maintain a global product distribution facility in Memphis.

The facility has approximately 1,500 m<sup>2</sup> fully equipped and ready-to-use GMP (Good Manufacturing Practices) space for cell culture and an additional 2,000 m<sup>2</sup> of expansion space. It is nearby the FedEx super hub at Memphis International Airport, being the “Biologistics” centre of the US. With a well developed medical infrastructure and orthopaedic companies such as Medtronic, Smith & Nephew and Wright Medical having their US production and distribution activities centralized in the Memphis region, the availability of trained personnel in the close proximity of the cell expansion facility is also guaranteed.

This transaction offers TiGenix the opportunity to start comparability testing of ChondroCelect<sup>®</sup> in the months to come, one of the prerequisites for a US regulatory filing, anticipated in 2008. It also puts the company in a unique position to realize efficient manufacturing and supply in the US in the future, being one of the key factors for market success besides proven technology and clinical validation of the product.

### **For more information, please contact**

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## **About TiGenix**

*TiGenix NV (Euronext: TIG) is a late-stage biomedical company that focuses on innovative local treatments for damaged and osteoarthritic joints. The Company is exploiting the power of regenerative medicine to develop durable treatments, validated through controlled clinical trials, for these indications. Based in Leuven, Belgium, TiGenix was founded as a spin-off from the Katholieke Universiteit Leuven and the Universiteit Gent.*

*TiGenix is developing a portfolio of products that address specific musculoskeletal problems. The lead indication among these is cartilage damage, which is a debilitating affliction affecting the mobility and functioning of patients. Western societies are characterised by ageing populations that place an increasing emphasis on high quality of life and life-long mobility, and, as such, cartilage problems represent a large and growing unmet medical need. Current therapies do not provide satisfying, long-term durable repair and TiGenix therefore believes there is a need for more effective treatments for cartilage damage.*

## **About ChondroCelect**

*ChondroCelect is TiGenix' lead product for cartilage repair, an innovative cell-based medicinal product focusing on durable repair of cartilage defects of the knee. The product is used in combination with autologous chondrocyte implantation (ACI), a surgical procedure to treat cartilage defects by using patient's own cells. Cartilage defects of the knee are very common and the spontaneous healing capacity of cartilage is limited. Patients having had a traumatic cartilage injury at a younger age are at risk of developing osteoarthritis (OA) later in life. By focusing on the regeneration of stable hyaline-like cartilage, ChondroCelect aims at realizing durable repair of cartilage defects and postponing the progression towards OA. ChondroCelect has successfully completed a randomised Phase III clinical trial and will be launched in Europe and/or in the United States, pending necessary regulatory approvals.*

## **Forward-looking information**

*This document contains 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.*