Histogenics and Intrexon Announce Formation of Exclusive Channel Collaboration for Cartilage Repair Therapies

Companies to Develop Universal Donor Chondrocyte Cell Treatments

WALTHAM, MA, and GERMANTOWN, MD, October 3, 2014 – Histogenics Corporation, a regenerative medicine company focused on developing and commercializing products in the musculoskeletal space, and Intrexon Corporation (NYSE: XON), a leader in synthetic biology, today announced the formation of an Exclusive Channel Collaboration (ECC) for the generation of allogeneic chondrocyte cell therapeutics to repair damaged articular hyaline cartilage in humans.

“We are pleased to enter into this strategic partnership and are excited by the opportunity to couple Intrexon’s market-leading expertise in synthetic biology with our proficiency in cell processing, scaffolding and tissue engineering,” said Adam Gridley, CEO and President of Histogenics. “We expect this collaboration will play an important role in advancing scientific innovation in tissue injuries such as cartilage damage and allow us to accelerate the development of our future products and technologies.”

Through the ECC, Histogenics will employ its expertise in novel solutions for musculoskeletal-related conditions, and Intrexon will utilize several of its integrated technologies to develop a universal allogeneic cell treatment for cartilage repair. Leveraging its UltraVector® platform for gene program design plus its proprietary cell substrates and cell engineering technologies, including LEAP® cell processing, AttSite® recombinases and bioactive RNAs, Intrexon’s tool-kit is aptly positioned to engineer an off-the-shelf allogeneic chondrocyte cell line with multigenic modulation for immune system compatibility. The target of this ECC is the design and manufacture of next-generation cartilage tissue products that integrate with Histogenics’ proprietary cellular scaffold platforms and manufacturing processes similar to those currently deployed in their ongoing NeoCart® Phase III trial.

Cartilage damage is a common problem in the U.S. and can be caused by acute or repetitive trauma. Unlike bone and other self-repairing tissues, joint cartilage does not heal on its own. As a result, it is challenging to restore full tissue function once an injury occurs, and progressive loss of cartilage tissue can lead to osteoarthritis. Additionally, current therapies require extensive recovery time and have limited long-term success. In spite of the limitations of existing approaches, there is an estimated 500,000 cartilage repair procedures performed in the U.S. annually. The potential benefits of developing and engineering cell banks of universal donor chondrocytes include one-step procedures without the need for patient biopsies and increased affordability, scalability, and access for patients and physicians.

“We are pleased to be partnering with the team at Histogenics for both their extensive experience in tissue engineering and focus on patients with damaged cartilage,” noted Gregory Frost, Ph.D., Senior Vice President and Head of Intrexon’s Health Sector. “This collaboration will utilize our suite of immunologic engineering tools to develop a universal donor chondrocyte that has the potential to revolutionize cartilage repair.”
Under the terms of the agreement, Histogenics will have access to Intrexon’s technologies and expertise to develop allogeneic genetically modified chondrocyte cell therapeutics in exchange for a technology access fee of $10 million in the form of a convertible promissory note. Histogenics will reimburse Intrexon for half of the research and development costs, and the remainder after regulatory filing acceptance. The agreement also provides for commercial and regulatory milestone payments to Intrexon of up to $34.5 million, as well as a low double-digit percentage royalty based on the gross profits from collaboration products. Intrexon will also be granted the right to invest up to $15M in Histogenics.

About Histogenics
Histogenics is a regenerative medicine company focused on developing and commercializing products in the musculoskeletal segment of the marketplace. Our regenerative medicine platform combines expertise in cell processing, scaffolding, tissue engineering, bioadhesives and growth factors to provide solutions that can be utilized individually or in concert to treat musculoskeletal-related conditions. Our first investigational product candidate, NeoCart®, leverages our platform to provide an innovative treatment in the orthopedic space, specifically cartilage damage in the knee. For more information on Histogenics, please visit the company website at http://www.histogenics.com.

About Intrexon Corporation
Intrexon Corporation (NYSE: XON) is a leader in synthetic biology focused on collaborating with companies in Health, Food, Energy, Environment, and Consumer Sectors to create biologically-based products that improve the quality of life and the health of the planet. Through the company’s proprietary UltraVector® platform and suite of technologies, Intrexon provides its partners with industrial-scale design and development of complex biological systems. The UltraVector® platform delivers unprecedented control over the quality, function, and performance of living cells. We call our synthetic biology approach and integrated technologies Better DNA®, and we invite you to discover more at www.DNA.com.

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Safe Harbor Statement
Some of the statements made in this press release are forward-looking statements. These forward-looking statements are based upon our current expectations and projections about future events and generally relate to our plans, objectives and expectations for the development of our business. Although management believes that the plans and objectives reflected in or suggested by these forward-looking statements are reasonable, all forward-looking statements involve risks and uncertainties and actual future results may be materially different from the plans, objectives and expectations expressed in this press release.

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