



Business and Financial Update

First Half 2008

August 28, 2008

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Agenda

- **Introduction** Gil Beyen, CEO
- **Business update** Gil Beyen, CEO
- **Financial update** Frank Hazevoets, CFO
- **Outlook** Gil Beyen, CEO
- **Q&A**

Focus

Regenerating motion. Innovative local treatments for damaged and osteoarthritic joints.

Lead product

ChondroCelect[®], autologous cell-based medicinal product for cartilage regeneration; Phase III trial successfully completed; in registration phase in EU

Founded

2000, spin-off of the Universities of Leuven and Gent

Locations

Leuven (Belgium), New York & Memphis (US)

Finance

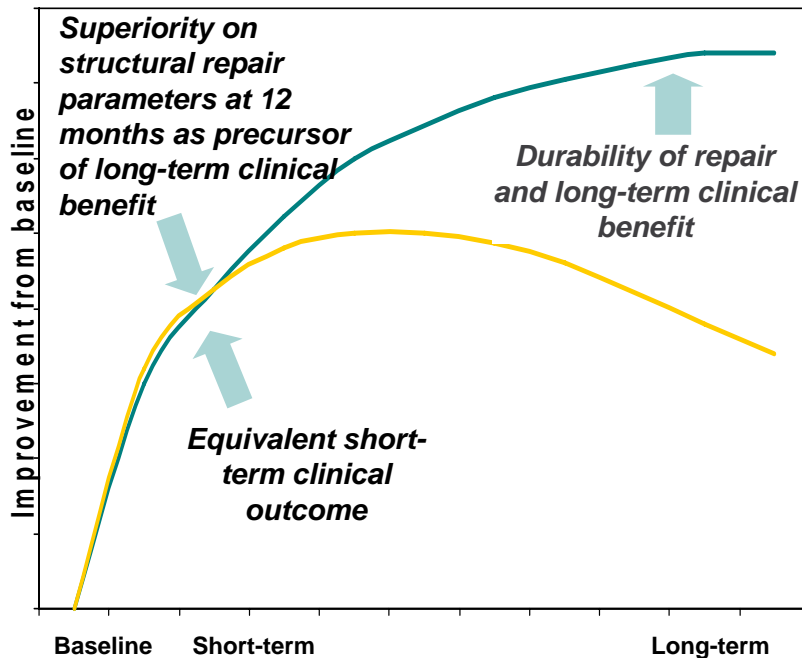
Listed on Euronext Brussels since March 22, 2007

Business Highlights

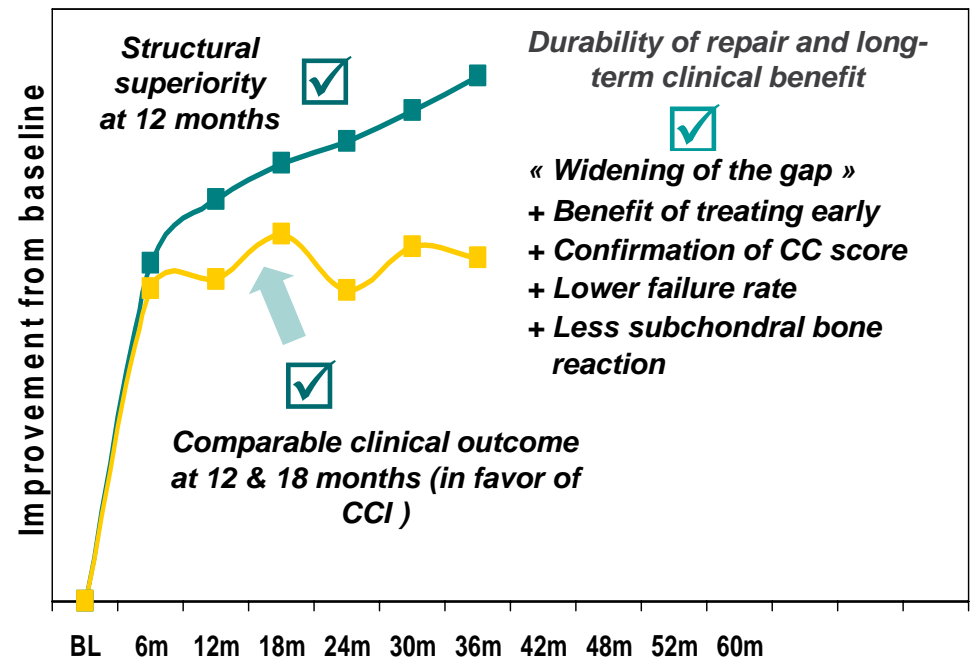
- ChondroCelect (TGX001) three-year clinical data confirm clinical benefit
- EMEA registration procedure ongoing, CHMP opinion anticipated in Q4 2008
- Commercial team strengthened in anticipation of the ChondroCelect launch
- Pipeline development progressing

Three-year clinical data confirm clinical benefit

Study Hypothesis



Study results (up to 36 months)

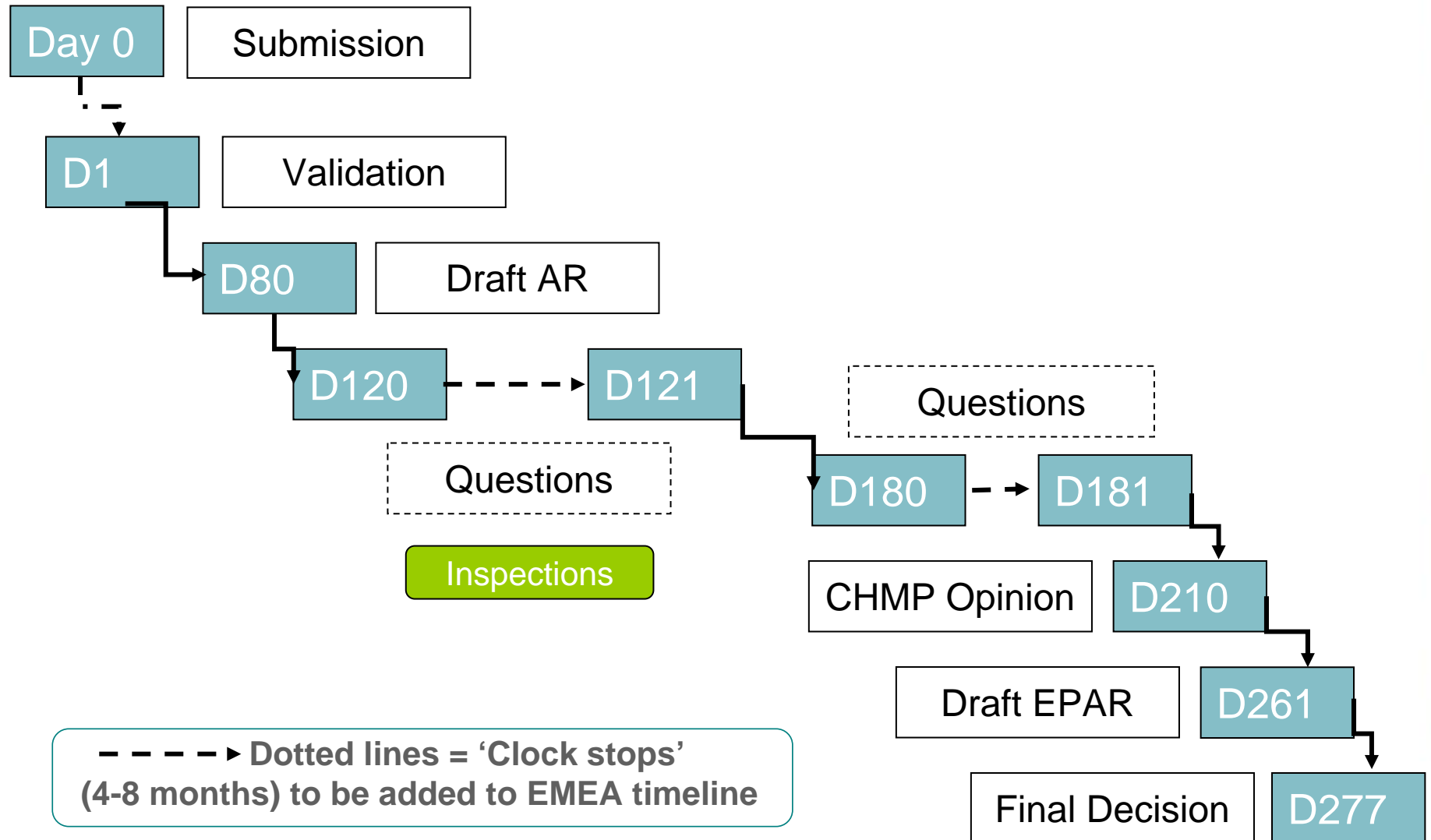


Regulatory approvals

- EMEA:
 - MAA filed mid 2007
 - First to go for central approval at EMEA (as somatic cell therapy medicinal product; ATMP)
 - CHMP opinion: expected Q4 08
- FDA:
 - BLA filing targeted after CHMP opinion



EMEA timeline



Preparations for commercial launch

- Commercial team strengthened
 - Patrick Haelterman, VP Marketing & Sales EU
 - Continued support for US and P&R from François Meurgey
 - Regional Business heads in Germany and UK
 - Project Director
- Pricing & reimbursement
 - Core value dossier
 - Stakeholder meetings
- Regulatory & Medical Affairs teams

Pipeline development

Broaden indication



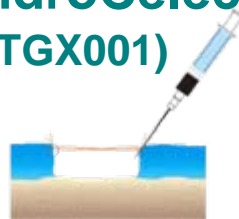
Stem cell therapies

Meniscus repair (TGX003)

Next Generation-3D (TGX002-TGXFAB002)
Combination product (TIG-FAB)



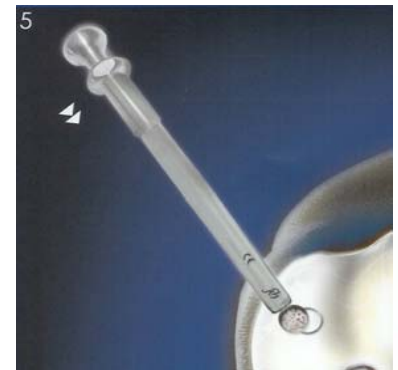
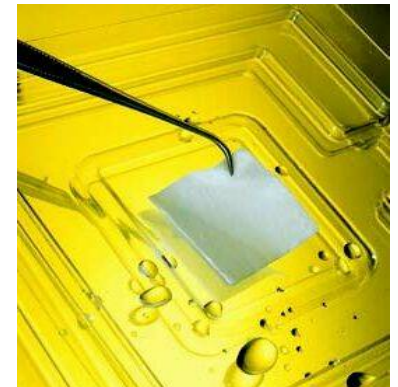
ChondroCelect (TGX001)



Increase ease of use and patient friendliness

Next generation product: TGX002-TGXFAB002

- Partnership with Fidia Advanced Biopolymers
 - Combination of ‘best cells and best scaffold’ for implantable 3D construct
 - Hyaff scaffold used in over 4000 patients
 - Proven surgical handling - arthroscopic implantation
 - No stitch approach opens perspective to treat focal defects in OA
- TGX002 trial in preparation
 - Dedicated development team in place
 - Pre-IND meeting with US FDA
 - Preclinical work ongoing
 - IND for Phase II trial



Financial Highlights

- Net loss of EUR 7.4 million
- Cash and cash equivalent of EUR 32.3 million

Financial results for first half of 2008

Net loss of EUR 7.4 mio

<i>Thousands of Euro</i>	30/06/08	30/06/07
Sales	0	0
Other revenues	129	78
Revenues	129	78
Research and development expenses	5,073	3,773
Selling, general and admin. expenses	2,986	2,321
Total operating charges	8,060	6,094
Operating Result (EBIT)	(7,930)	(6,016)
Financial result	529	486
Profit/(Loss) before taxes	(7,402)	(5,530)
Income taxes	(1)	0
Net Profit/(Loss)	(7,403)	(5,530)

Table is drawn up in accordance with IFRS and based on limited review procedures by the auditor

Financial results for first half of 2008

Cash and cash equivalents of EUR 32.3 mio

<i>Thousands of Euro</i>	30/06/08	30/06/07
Cash at beginning of the year	39,101	7,738
EBIT	(7,930)	(6,016)
Total adjustments	810	809
Net cash used in operating activities	(7,120)	(5,207)
Net cash used in investing activities	(395)	(467)
Net cash provided by financing activities	662	43,113
Net increase/(decrease) in cash	(6,853)	(37,439)
Effect on exchange rate changes	96	(12)
Cash at end of the period	32,344	45,165

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Outlook

- CHMP Opinion for ChondroCelect
- Pre-BLA meeting and filing of the BLA for ChondroCelect in the US
- Approval and launch of ChondroCelect in selected European countries
- IND application for TGX002 phase II trial in the US
- Expansion of cell manufacturing capacity in Europe

TiGENIX

Thank you for your attention



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