



January 2011

Dear Medgenics Stockholder,

As reported previously, Medgenics is preparing to list on a U.S. exchange and has filed a Registration Statement with the Securities and Exchange Commission. Our Registration Statement is in the process of being reviewed by the SEC, and has not yet been declared effective.

The Board of Directors of the company is seeking the approval of stockholders to effect a reverse stock split, as explained in the accompanying materials, in order to bring our share price into the range required for the proposed listing on a U.S. exchange. We request that you review these materials and consider this request as soon as possible. If you approve the proposal, please complete the Written Consent form on page 3 of the attached document, which has your name and shareholdings as shown in our records. It can be returned by scan, fax, overnight courier or postal service to our Corporate Counsel:

Gretchen Anne Trofa, Esq.
Barack Ferrazzano Kirschbaum & Nagelberg LLP
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If you have any questions regarding this matter, please contact Dr. Andrew Pearlman, CEO at +972-54-227-4824 or at andy@medgenics.com.

We appreciate your continued support and look forward to updating you on our progress during the New Year.

Andrew L. Pearlman
President & CEO

Eugene A. Bauer
Chairman