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MEDGENICS PRESENTS FIRST DATA ON INTERFERON PRODUCING BIOPUMPS AT THE 2010 EASL CONFERENCE IN VIENNA

During the 2010 EASL conference on liver disease in Vienna, Austria, which takes place between April 14 and April 18, 2010, Medgenics, Inc (“Medgenics” or the “Company”) will be presenting two posters providing data on their INFRADURE Biopumps that use a patient’s own tissue to produce and deliver interferon-alpha (IFN α) in therapeutic amounts consistently and over a sustained period, the first time these data have been presented at a clinical conference. This prestigious European annual conference for liver disease is attended by more than 7,000 delegates, representing the key opinion leaders in treating liver disease.

The INFRADURE technology is being developed for use in treating Hepatitis-C, by providing up to 6 months sustained IFN α treatment from a single administration, using the patient’s excised dermis sample taken by needle biopsy and converted into a “Biopump” producing IFN α . Based on prior experience reported using the same Biopump approach to achieve sustained production of a different protein, erythropoietin, the Company believes these INFRADURE Biopumps will produce a consistent level of IFN α over a prolonged period. In this way, the Company plans to provide the benefits of interferon therapy without the well known toxic effects caused by the way interferon is administered today; i.e., a weekly series of at least 24 injections. Patients treated with today’s IFN α injections usually suffer major flulike symptoms largely due to the high dose of the bolus injection, and many prefer to forego treatment because of the toxic effects. By providing a steady level at the requisite dose, Medgenics believes patients will receive effective and much more tolerable therapy for Hepatitis-C.

INFRADURE Biopumps are made from microorgans – half-toothpick sized slivers of excised dermis, the lower layer of skin - which are processed outside the body for 10 days causing their cells to produce IFN α . After a week measuring each Biopump’s IFN α production, the requisite dosage of IFN α is given by inserting the requisite number of Biopump units subcutaneously – current data suggest that 1-3 Biopump units should be adequate to provide the interferon therapy used for a typical patient with Hepatitis-C.

Proof of principle of this new approach to protein production and delivery has been established through the generation of more than 5,000 Biopumps producing a range of different therapeutic proteins in the laboratory. The most advanced programme is EPODURE Biopumps which produce erythropoietin for anaemic patients with chronic kidney disease. In its ongoing Phase I-II study in 2009 Medgenics reported that haemoglobin levels were elevated and sustained for 6-12 months from a single administration of low dose EPODURE Biopumps.

The study presented in these two posters provides data which show that long term IFN α production and delivery can be achieved in SCID mice, and long-term IFN α production can be maintained *in vitro*.

Commenting on the posters being presented, Medgenics’ Chairman of the Board Dr. Eugene Bauer said, “We have been encouraged by the clinical data that have been generated with EPODURE Biopumps and it is gratifying that the higher dose trials are scheduled to commence in the near term. The data presented at this conference demonstrate how we can successfully produce Biopumps for other important therapeutic proteins, including IFN α . We believe the INFRADURE Biopump could offer great hope for a significant improvement in the treatment of Hepatitis-C.”

For further comment from Dr. Andy Pearlman, CEO of Medgenics, and to order a copy of the posters following publication, please contact Anna Dunphy (a.dunphy@defacto.com) or Mike Wort (m.wort@defacto.com) and we would be delighted to arrange for that.