

MEDGENICS TO PRESENT AT RODMAN & RENSHAW 8TH ANNUAL HEALTHCARE CONFERENCE

CEO to Share Clinical Proof of Principle and Development Strategy

KARMIEL, ISRAEL – October 25, 2006 —Medgenics Inc. announced that Andrew L. Pearlman, Ph.D., President and CEO, is scheduled to present at the Rodman & Renshaw 8th Annual Global Healthcare Conference. The conference will be held November 6-8th at the New York Plaza Hotel. Dr. Pearlman will present on Wednesday November 8th at 12:25 p.m. (Eastern Time) in the Kennedy II Room.

A live webcast of Medgenics' presentation can be accessed by logging onto <http://www.wsw.com/webcast/rrshq10/medgenics/>.

A replay of the presentation will be archived for 90 days after the conference, at the same site. For more information about the Rodman & Renshaw 8th Annual Healthcare Conference, please visit Rodman & Renshaw's website at www.rodmanandrenshaw.com.

Medgenics is developing a biological pump, the Biopump, made using a patient's own skin, as an alternative to today's protein therapy, which involves frequent bolus injections of proteins. Directly addressing the majority of the \$51 billion market for injected proteins, the Biopump works inside a patient's body to produce and deliver the active protein steadily for a sustained duration in order to treat a targeted indication.

The Company is developing two products based on its sustained-action Biopump technology: EPODURE producing EPO to treat anemia, and INFRADURE producing interferon-alpha (IFN- α) to treat hepatitis C. Medgenics plans to commence formal efficacy trials for EPODURE in the fourth quarter of 2007.

Medgenics has demonstrated proof-of-principle of the Biopump to deliver erythropoietin (EPO) to anemic patients in a clinical trial. The trial demonstrated proof-of-principle for the method of converting human dermal cores into mini protein production plants. The trial also proved that implantation of the dermal cores back into the same patients could safely and significantly increase the patient's level of protein on a short-term basis. The Biopump EPO proved that it could be dose-controlled, reproducible, and free of significant adverse effects, as well as capable of promoting patient compliance. Although short by design, this trial provided critical proof-of-principle data for the prototype devices used to harvest and implant the Biopump. Recent advances with a "gutless" adeno vector are expected to enable sustained-action Biopumps to provide at least four to six months of high level protein delivery.

About Medgenics

Medgenics Inc. is a biopharmaceutical company developing a platform technology to provide sustained-action protein therapy for the treatment of a range of diseases, starting with anemia and hepatitis C. Medgenics has already shown proof-of-principle of the

Biopump to deliver erythropoietin (EPO) in a clinical trial to anemic patients. The Company is developing two products based on its sustained-action Biopump technology: EPODURE producing EPO to treat anemia, and INFRADURE producing interferon-alpha (IFN- α) to treat hepatitis C.