



NEW PATENT APPROVAL BOOSTS INTELLECTUAL PROPERTY PORTFOLIO AT MEDGENICS

Misgav, Israel and London, UK – 27 January 2010 – Medgenics (AIM: MEDG and MEDU), the biopharmaceutical company that creates therapeutic protein producing implantable Biopumps announced today that the Japanese Patent Office has approved patent application number 2003-550677 titled CLOSED AUTOMATED SYSTEMS FOR TISSUE BASED THERAPY DOSING AND ADMINISTRATION OF SAME. This strengthens the suite of over 60 approved patents and patent applications owned and licensed by the company which cover all aspects of the company's technology for producing autologous Biopumps that are capable of producing a wide range of therapeutic proteins when implanted into humans.

Dr. Andrew Pearlman, CEO of Medgenics commented:

"The granting of additional patents is always very important to a technology driven company such as Medgenics. We now have issued or applied for patents in all major jurisdictions covering key aspects of our platform technology for obtaining micro-organs from a patient's tissue, processing them to produce therapeutic proteins and then reinserting them into the patient to provide continuous delivery of therapeutic proteins over an extended period of time".

For further information contact:

Medgenics, Inc.

Phone: +972 4 902 8900

Dr. Andrew L. Pearlman

De Facto Communications

Phone: +44 20 7861 3838

Mike Wort

m.wort@defacto.com

Anna Dunphy

a.dunphy@defacto.com

Grayling (Investor Relations - US)

Phone: +1 646 284 9472

Leslie Wolf-Creutzfeldt

lwolf-creutzfeldt@hfgcg.com

Blomfield Corporate Finance Limited (Nominated Adviser) Phone: +44 207 489 4500

James Pinner

Alan MacKenzie

SVS Securities plc (Broker)

Phone: +44 207 638 5600

Ian Callaway

About Medgenics:

Medgenics is a clinical-stage biopharmaceutical company developing its unique tissue-based Biopump platform technology to provide sustained-action protein therapy for the treatment of a range of chronic diseases. The Company currently has three products in development based on this technology and addressing the indications of:

- Anemia - using EPODURE, a Biopump producing erythropoietin (EPO)
- Hepatitis-C - using INFRADURE - a Biopump producing interferon-alpha (IFN-a)
- Hemophilia - using a Biopump to produce clotting Factor VIII

The Company's Phase I/II clinical trial using EPODURE to treat anemia in patients with chronic kidney disease, has demonstrated proof of concept of the Biopump. Designed to produce and deliver a therapeutic dose of EPO steadily for six months or more, EPODURE Biopumps have already provided effective anemia treatment in most of these patients for 6-12 months, even at the low administered dose.

Medgenics intends to develop its innovative products and bring them to market via multiple strategic partnerships with major pharmaceutical and/or medical device companies. In addition to treatments for Anemia, Hepatitis-C, Hemophilia, Medgenics plans to develop and/or out-license a pipeline of future Biopump products targeting the large and rapidly growing global protein therapy market, which is forecast to reach US \$87 billion by 2010. Other potential applications of Biopumps producing various proteins include multiple sclerosis, arthritis, pediatric growth hormone deficiency, obesity, and diabetes.