Pluristem Awarded $4.2 Million Grant by Israeli Government

HAIFA, ISRAEL, April 30, 2014 -- Pluristem Therapeutics Inc. (NasdaqCM:PSTI; TASE: PLTR) today announced that its wholly owned subsidiary, Pluristem Ltd., has received approval for a 14.6 million New Israeli Shekel (approximately $4.2 million) grant from the Office of the Chief Scientist (OCS) within the Israeli Ministry of Economy. Once received, the grant will be used to cover R&D expenses for the period January 2014 to December 2014.

"We are pleased that the OCS appreciates the important cell therapy work Pluristem is conducting and that they have seen it fit it to increase our grant this year. The OCS plays a very important role in supporting the broader technology industry in Israel," said Zami Aberman, Chairman and CEO of Pluristem.

"Over the past year, since our last award from OCS, we have achieved numerous milestones in R&D, manufacturing, and our clinical development programs. Pluristem is well established as a global leader in the cell therapy area and we are actively working with other thought leaders to advocate on behalf of our industry, which holds great promise for the future of healthcare," Aberman added.

About the Office of the Chief Scientist and Grant Terms

The OCS, empowered by the Law for the Encouragement of Industrial Research & Development – 1984, oversees all Government sponsored support of R&D in the Israeli hi-tech and bio-tech industries. This broad-spectrum support stimulates the development of innovative state-of-the art technologies, enhances the competitive power of the industry in the global hi-tech market, creates employment opportunities and assists in improving Israel's balance of payments.

According to the OCS grant terms, Pluristem Ltd. is required to pay royalties in the rate of 3% - 5% on sales of products and services derived from technology developed using this and other OCS grants until 100% of the dollar-linked grants amount plus interest are repaid. In the absence of such sales, no payment is required. In addition, some of the grant is subject to either an assessment or medical opinion regarding conducting a clinical trial involving pregnant women.

About Pluristem Therapeutics

Pluristem Therapeutics Inc. is a leading developer of placenta-based cell therapies. The Company's patented PLX (PLacental eXpanded) cells are a drug delivery platform that releases a cocktail of therapeutic proteins in response to a host of local and systemic inflammatory and ischemic diseases. PLX cells are grown using the company's proprietary 3D micro-environmental technology and are an "off-the-shelf" product that requires no tissue matching prior to administration.

Pluristem has a strong intellectual property position, company-owned GMP certified manufacturing and research facilities, strategic relationships with major research institutions and a seasoned management team. For more information visit www.pluristem.com, the content of which is not part of this press release.

Safe Harbor Statement

This press release contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995 and federal securities laws. For example, we are using forward-looking statements, when we discuss the receipt and use of the OCS grant, or when we discuss that our industry holds great promise for the future of healthcare. These forward-looking statements and their implications are based on the current expectations of the management of Pluristem only, and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. The following factors, among others, could cause actual results to differ materially from those described in the forward-looking statements: changes in technology and market requirements; we may encounter delays or obstacles in launching and/or successfully completing our clinical trials; our products may not be approved by regulatory agencies, our technology may not be validated as we progress further and our methods may not be accepted by the scientific community; we may be unable to retain or attract key employees whose knowledge is essential to the development of our products; unforeseen scientific difficulties may develop with our process; our products may wind up being more expensive than we anticipate; results in the laboratory may not translate to equally good results in real surgical settings; results of preclinical studies may not correlate with the results of human clinical trials; our patents may not be sufficient; our products may harm recipients; changes in legislation; inability to timely develop and introduce new technologies, products and applications; loss of market share and pressure on pricing resulting from competition, which could cause the actual results or performance of Pluristem to differ materially from those contemplated in such forward-looking statements. Except as otherwise required by law, Pluristem undertakes no obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events. For a more detailed description of the risks and uncertainties affecting Pluristem, reference is made to Pluristem's reports filed from time to time with the Securities and Exchange Commission.

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