



Pluristem Awarded \$2.9 Million Grant by Israeli Government

HAIFA, ISRAEL, June 17 2015 -- [Pluristem Therapeutics Inc.](#) (NasdaqCM: PSTI) (TASE: PLTR), a leading developer of placenta-based cell therapy products, today announced that its wholly owned subsidiary, Pluristem Ltd., has been awarded 11.1 million New Israeli Shekels (approximately \$2.9 million) from the Office of the Chief Scientist (OCS) of the Israeli Ministry of Economy. The grant will support R&D activities for calendar year 2015.

“We are delighted to receive the OCS grant to support clinical trials of PLX cells, and innovations in the use of serum free medium in our cell cultures,” stated Zami Aberman, Chairman and CEO of Pluristem. “This OCS award is designed to promote hi-tech and biotech R&D in Israel. Israel has emerged as a global hub for breakthrough technologies, and the OCS’s funding program contributes to this phenomenon. Pluristem is very proud to be among Israel’s leading life sciences companies.”

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, and creates employment opportunities.

According to the OCS grant terms, Pluristem Ltd. is required to pay royalties of 3% - 4% 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.

About Pluristem Therapeutics

Pluristem Therapeutics Inc. is a leading developer of placenta-based cell therapy products. The Company's patented PLX (PLacental eXpanded) cells release a cocktail of therapeutic proteins in response to inflammation, ischemia, hematological disorders, and radiation damage. PLX cells are grown using the Company's proprietary three-dimensional expansion 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, forward-looking statements are used in this press release when we discuss the receipt and use of the OCS grant. 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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