Pluristem Initiates South Korean Arm of Multinational Phase II Intermittent Claudication Trial

Trial now active in 13 clinical centers in 4 countries

HAIFA, ISRAEL, July 8, 2014 -- Pluristem Therapeutics Inc. (NasdaqCM: PSTI) TASE: PLTR), a leading developer of placenta-based cell therapies, today announced the initiation of South Korean sites in the Phase II study assessing PLacental eXpanded (PLX) cells in the treatment of intermittent claudication (IC). Patient screening is now underway at three clinical centers, making South Korea the fourth country to participate in this randomized, double-blind, placebo-controlled Phase II trial. The trial has been ongoing at clinical sites in the U.S., Israel and Germany with an enrollment target of 150 patients.

The South Korean part of the study is being conducted by CHA Bio & Diostech (Kosdaq: CHA) under an exclusive licensing agreement for the use of PLX cells for peripheral artery disease (PAD) in South Korea. Under the terms of Pluristem's licensing agreement with CHA, if there is regulatory approval for a PLX product in South Korea Pluristem and CHA will establish a joint venture (JV) co-owned by the parties; they will share the revenues and income generated through sales of PLX cell therapies in the South Korean market. It is estimated that one million people in South Korea suffer from PAD and this number is expected to grow.

"We have a very productive partnership with CHA, as evidenced by our joint clinical program. Initiating our first trial in South Korea is a major milestone. We look forward to reporting further progress on our Phase II IC trial in the South Korean market," stated Pluristem CEO Zami Aberman.

In May, Pluristem received clearance from the South Korean Ministry of Food and Drug Safety (MFDS) to use PLX cells in South Korean trials.

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 protein delivery platform that releases a cocktail of therapeutic proteins in response to inflammatory or ischemic conditions. 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 receiving regulatory approval for PLX products in South Korea, or when we discuss reporting further progress on our Phase II IC trial in the South Korean market. 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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