

MESOBLAST RHEUMATOID ARTHRITIS TRIAL RESULTS PRESENTED AT EULAR ANNUAL EUROPEAN CONGRESS OF RHEUMATOLOGY

New York, USA; and Melbourne, Australia; June 22, 2017: Mesoblast Limited (ASX:MSB; Nasdaq:MESO) announced that results from the randomized, placebo-controlled 48-patient Phase 2 trial of its proprietary allogeneic Mesenchymal Precursor Cells (MPCs) in patients with biologic refractory rheumatoid arthritis (RA) were presented at the European League Against Rheumatism (EULAR) Annual European Congress of Rheumatology held in Madrid June 14-17. The abstract was selected by peer review and presented by the trial's independent investigators.

The EULAR Congress is the key European platform for showcasing innovation in rheumatology and highlighting the latest advances in the field. The 2017 Congress was attended by approximately 14,000 delegates from more than 120 countries.

Trial investigator, Dr Suzanne Kafaja, Assistant Clinical Professor in the Division of Rheumatology, Department of Medicine, at the University of California at Los Angeles (UCLA), presented both safety and efficacy outcomes of the trial using pre-specified analyses over the 12-week primary evaluation period, as well as follow-up results over 39 weeks.

Dr Kafaja said the trial had met its primary endpoints and the data indicated an early trend to improvements in patient-related outcome measures. "Taken together, these results show promise and support further development of Mesoblast's mesenchymal precursor cells for biologic-refractory rheumatoid arthritis patients, a population with substantial remaining medical need," she said.

Major advances in the treatment of RA using biologic agents have resulted in a \$19 billion global market in 2016, the majority of which is due to use of anti-TNF agents. The RA population resistant to anti-TNF agents, which constitutes about one-third of patients treated with anti-TNF agents, is the fastest growing branded market segment within the global RA biologics market, and is set to grow further as multiple anti-TNF biosimilars become available. There are approximately 6 million prevalent cases in the United States, Japan, and EU5, with 2.9 million in the United States alone in 2016^{1,2}

¹ GlobalData©: Rheumatoid Arthritis Global Forecast 2015-2025 0- January 2017

² Decision Resources Rheumatoid Arthritis Dec 2015

About Mesoblast

Mesoblast Limited (ASX:MSB; Nasdaq:MESO) is a global leader in developing innovative cell-based medicines. The Company has leveraged its proprietary technology platform, which is based on specialized cells known as mesenchymal lineage adult stem cells, to establish a broad portfolio of late-stage product candidates. Mesoblast's allogeneic, 'off-the-shelf' cell product candidates target advanced stages of diseases with high, unmet medical needs including cardiovascular conditions, orthopedic disorders, immunologic and inflammatory disorders and oncologic/hematologic conditions.

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