

October 12, 2005



The BANK
of NEW YORK

SECURITIES SERVICING
DEPOSITARY RECEIPTS

Corporate Action

ATTENTION: International Research, Sales, Trading and Operations Staff

TERMINATION NOTICE

Transgene S.A.

Country:	France
Symbol:	TRGNY
CUSIP Number:	89365U105
Exchange:	OTC
Ratio:	3 ADR: 1 ORDINARY SHARE

You are hereby notified, as holders of the above American Depositary Receipts ("ADRs"), that, at the request of Transgene S.A. (the "Issuer"), we have terminated the offering of the ADRs. The Depositary will not accept any further deposits of shares of the Issuer for issuance of ADRs.

You are hereby further notified that The Bank of New York, as depositary for the ADRs (the "Depositary"), and the Issuer has agreed to amend the Deposit Agreement under which the ADRs were issued to:

- decrease from one year to 90 days the time that must pass after termination of the Deposit Agreement before the Depositary may sell the remaining Deposited Securities; and
- change the provision on selling Deposited Securities after termination to require the Depositary to use reasonable efforts to sell the remaining Deposited Securities after the specified period.

Attached to this notice as Annex A is a copy of Section 6.2 of the Deposit Agreement, as amended. The amended provisions of the Deposit Agreement described above will not become effective as to outstanding ADRs until November 12, 2005, which is 31 days after the date of this notice.

You are hereby further notified that, at the instruction of the Issuer, the Deposit Agreement, as amended, will terminate on November 12, 2005.



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As a result of the amendment and termination of the Deposit Agreement described above, you have until at least February 10, 2006 to decide if you would like to retain your interest in shares of the Issuer. If you do not surrender your ADRs and request delivery of the underlying Issuer shares before the Depositary sells those shares, you will lose the right to receive those shares and instead will be entitled, upon subsequent surrender of your ADRs, to receive the net proceeds of sale of those shares. The date or dates on which the Depositary will sell remaining deposited Issuer shares has not been determined, but it will not be earlier than February 13, 2006.

If you surrender your ADRs for the purpose of withdrawing the underlying Issuer shares before the Depositary sells those shares, you must pay the fee of the Depositary as provided in Section 2.5 of the Deposit Agreement of up to \$0.05 per ADS surrendered, a cable fee of \$12.50 and any applicable taxes or governmental charges. Payment should be made payable to The Bank of New York.

If you surrender your ADRs to obtain payment of proceeds of sale of Issuer shares after the Depositary sells the remaining deposited Issuer shares, the fee of the Depositary as provided in Section 2.5 of the Deposit Agreement of up to \$0.05 per ADS surrendered, the expenses of sale and any applicable taxes or governmental charges will be deducted from the payment you will receive.

If you wish to receive payment of the proceeds of sale of Issuer shares, please do not surrender your ADRs at this time. The Depositary will send a separate notice with instructions to surrender your ADRs after the sale of shares has been completed.

ANNEX A

Section 6.2 of Amended Deposit Agreement

Section 6.2 Termination.

The Depositary shall at any time at the direction of the Company terminate this Deposit Agreement by mailing notice of such termination to the Owners of all Receipts then outstanding at least 30 days prior to the date fixed in such notice for such termination. The Depositary may likewise terminate this Deposit Agreement by mailing notice of such termination to the Company and the Owners of all Receipts then outstanding if at any time 30 days shall have expired after the Depositary shall have delivered to the Company a written notice of its election to resign and a successor depositary shall not have been appointed and accepted its appointment as provided in Section 5.4. On and after the date of termination, the Owner of a Receipt will, upon (a) surrender of such Receipt at the Corporate Trust Office of the Depositary, (b) payment of the fee of the Depositary for the surrender of Receipts referred to in Section 2.5, and (c) payment of any applicable taxes or governmental charges, be entitled to delivery, to him or upon his order, of the amount of Deposited Securities



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represented by the Global Depositary Shares evidenced by such Receipt. If any Receipts shall remain outstanding after the date of termination, the Depositary thereafter shall discontinue the registration of transfers of Receipts, shall suspend the distribution of dividends to the Owners thereof, and shall not give any further notices or perform any further acts under this Deposit Agreement, except that the Depositary shall continue to collect dividends and other distributions pertaining to Deposited Securities and any other property represented by such Deposited Securities, shall sell rights as provided in this Deposit Agreement, and shall continue to deliver Deposited Securities, together with any dividends or other distributions received with respect thereto and the net proceeds of the sale of any rights or other property, in exchange for Receipts surrendered to the Depositary (after deducting, in each case, the fee of the Depositary for the surrender of a Receipt, any expenses for the account of the Holder of such Receipt in accordance with the terms and conditions of this Deposit Agreement, and any applicable taxes or governmental charges). As soon as practicable after the expiration of 90 days from the date of termination, the Depositary shall use reasonable efforts to sell the Deposited Securities then held hereunder and may thereafter hold uninvested the net proceeds of any such sale, together with any other cash then held by it hereunder, unsegregated and without liability for interest, for the pro rata benefit of the Owners of Receipts which have not theretofore been surrendered, such Owners thereupon becoming general creditors of the Depositary with respect to such net proceeds. After making such sale, the Depositary shall be discharged from all obligations under this Deposit Agreement, except to account for claims of Owners as creditors of the Depositary for such net proceeds and other cash (after deducting, in each case, the fee of the Depositary for the surrender of a Receipt, any expenses for the account of the Owner of such Receipt in accordance with the terms and conditions of this Deposit Agreement, and any applicable taxes or governmental charges). Upon the termination of this Deposit Agreement, the Issuer shall be discharged from all obligations under this Deposit Agreement except for its obligations to the Depositary under Sections 5.8 and 5.9 hereof which shall survive the termination of this Deposit Agreement.

To learn more about ADRs and issuer programs, please call our marketing desks:

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