asx announcement

mesoblast
the regenerative medicine company

2015 Annual General Meeting

Chairman's Address

Good afternoon everyone, and thank you for attending the Mesoblast 2015 Annual General Meeting. This has been another exciting and productive year in the history of our Company.

We are very glad to report that following recent important developments, we expect to receive our first revenues from product sales in Q1 2016. This is due to the full regulatory approval from the Japanese Government last month for TEMCELL® HS. Inj., a product based on our proprietary mesenchymal lineage adult stem cell technology licensed to JCR Pharmaceuticals Co. Ltd for the treatment of graft versus host disease. TEMCELL is the first allogeneic cell-based product to receive approval in Japan and will see Mesoblast benefit from royalties, as well as other payments at pre-defined thresholds of cumulative net sales.

Importantly, it will bring a potentially lifesaving therapy to people who need it. We congratulate our Japan licensee, JCR, for making history with the full approval of TEMCELL for the treatment of acute graft versus host disease in children and adults in Japan, the world's second largest established healthcare market. This is well-deserved recognition of our shared commitment to provide innovative medical solutions to those in need.

In parallel, we plan to extend this first approval with what we expect to be the first industrially manufactured allogeneic cell-based product launched in the United States. Our product candidate, MSC-100-IV, has orphan drug designation and is being developed under an accelerated approval pathway in line with FDA discussions for children with steroid-refractory acute graft versus host disease.

Two other lead product candidates, MPC-150-IM and MPC-06-ID, are in late-stage development in Phase 3 programs targeting, respectively, advanced chronic heart failure and chronic low back pain due to degenerative disc disease. These are major diseases with high unmet medical needs and successful product candidates for these indications have the potential to generate significant amounts of revenues.

Additionally, we have a strong emerging pipeline of product candidates targeting a number of inflammatory/immune-mediated conditions.

Strategic Alliances

We continue to build out our strategic alliances across commercial, clinical and manufacturing areas.

In addition to JCR, we are pleased with the strong partnership that is in place with Teva Pharmaceutical Industries Ltd., which is conducting our Phase 3 program in chronic heart failure.

Our manufacturing partner, Lonza, continues to support our clinical and commercial manufacturing requirements.

Mesoblast Limited
ABN 68 109 431 870
www.mesoblast.com

Corporate Headquarters
Level 38
55 Collins Street
Melbourne 3000
Victoria Australia
T +61 3 9639 6036
F +61 3 9639 6030

United States Operations
505 Fifth Avenue
Third Floor
New York, NY 10017
USA
T +1 212 880 2060
F +1 212 880 2061

Asia
20 Biopolis Way
#05-01 Centros
Biopreneur 3
SINGAPORE 138668
T +65 6570 0635
F +65 6570 0176

During the last financial year, we were pleased to welcome Celgene Corporation as a strategic investor.

Shared Objectives
Your Company is committed to bringing to market cell-based therapies to patients with major unmet medical needs.

We deeply appreciate the support of our shareholders, and we thank you for your continued loyalty and belief in the potential of our business.

Your Board of Directors comprises seasoned pharmaceutical and device company executives across multiple international jurisdictions, as well as globally acknowledged leaders in clinical medicine and experts in corporate finance.

Together your Directors continue to provide appropriate strategic guidance and oversight of the business. Specifically, we are working closely with management to ensure that the operations are streamlined and resources are prudently managed to execute on our business strategy. We continue to actively evaluate our capital requirements and our options in support of our corporate objectives.

Outlook
The 2016 financial year is shaping up to be the most productive and exciting stage of our evolution. This is due to our anticipated revenue stream, significant milestones in our Phase 3 programs, and potential new strategic collaborations.

I would now like to ask our Chief Executive Silviu Itescu to provide further insight into our corporate strategy.

Thank you.

Brian Jamieson
Melbourne, Australia 22 October 2015