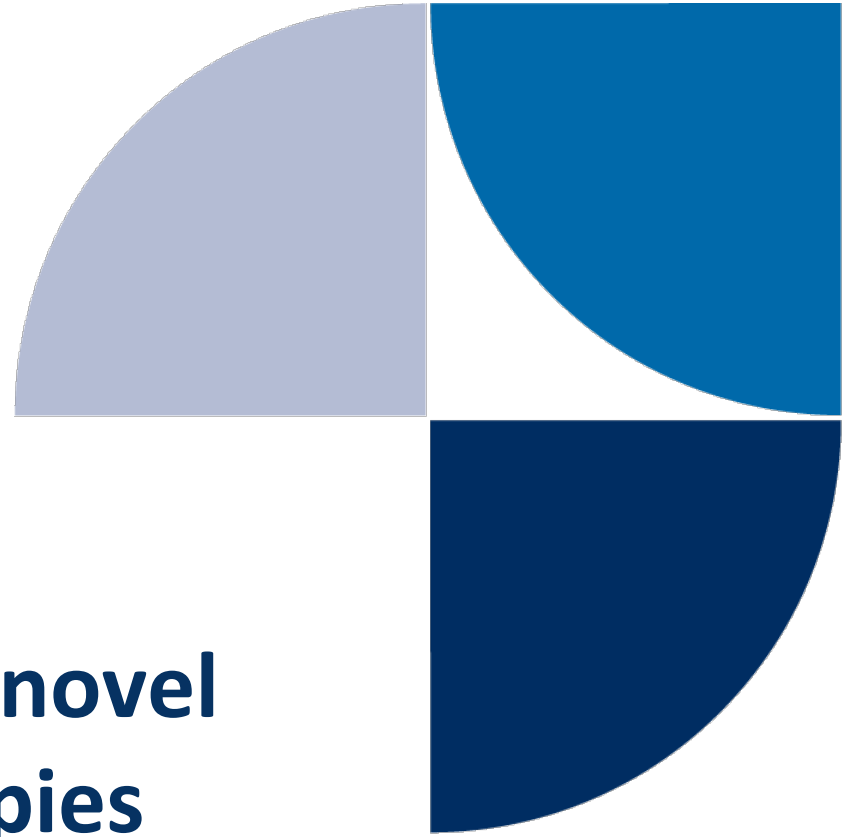


mesoblast
the regenerative medicine company



**Leading the world in novel
adult stem cell therapies**

8th Nomura Asia Equity Forum
14 June 2011

Forward looking statements

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This presentation, including any comments made during or following the presentation, may contain forward-looking statements that are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. These statements may relate to, but are not limited to: expectations regarding the safety or efficacy of, or potential applications for, Mesoblast's adult stem cell technologies; expectations regarding the strength of Mesoblast's intellectual property, the timeline for Mesoblast's regulatory approval process, and the scalability and efficiency of manufacturing processes; expectations about Mesoblast's ability to grow its business and statements regarding its relationship with Cephalon and future benefits of that relationship; statements concerning Mesoblast's share price or potential market capitalization; and statements concerning Mesoblast's capital requirements and ability to raise future capital, among others. Actual results may differ from the results anticipated in these forward-looking statements, and the differences may be material and adverse. Factors and risks that may cause Mesoblast's actual results, performance or achievements to be materially different from those which may be expressed or implied by such statements, include, without limitation: risks inherent in the development and commercialization of potential products; uncertainty of clinical trial results or regulatory approvals or clearances; government regulation; the need for future capital; dependence upon collaborators; and protection of our intellectual property rights, among others. Accordingly, you should not place undue reliance on these forward-looking statements.

Investment snapshot

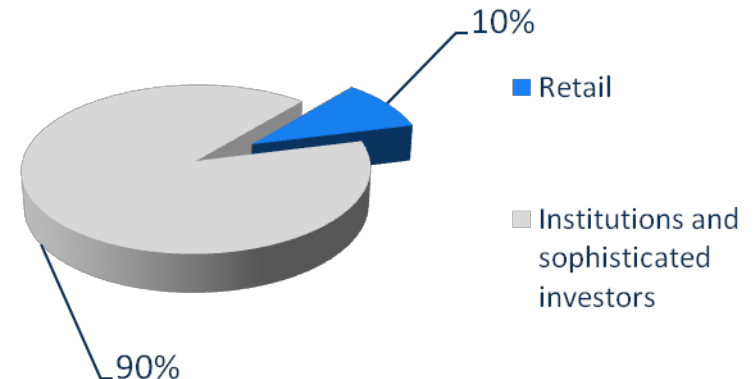
Mesoblast is a public company, listed on the Australian Securities Exchange since 2004.

It is included in the S&P/ASX 200 Index.

Issued shares	279m
Current share price	A\$8.60
Cash available (approx)	A\$270m
Market capitalization	A\$2,400m

Capital raisings	A\$m
IPO @ 50 cents	21.0
Equity placements	
Jul-06	17.4
Dec-07	13.4
Apr-09	10.8
May-10, 2 nd tranche Sep/Dec-10	35.8
Options & US raisings	18.2
Cephalon equity investment	106.8
Total funds raised	223.4

Mesoblast ownership



Our proprietary adult stem cells

- potent, purified adult mesenchymal precursor cells
 - strong safety profile – no immune reactions
 - avoid ethical and safety issues associated with embryonic stem cells
 - backed by strong patent position
- “off the shelf” – just like classic pharmaceutical drugs
 - batch to batch consistency
 - clear, rapid regulatory pathway
- easy to expand in large numbers
 - low cost of goods, no supply constraints
 - high margin business model

The Mesoblast value proposition – the three pillars

1. The Cephalon alliance

- delivers proven execution capability in major global markets
- drives clinical programs in key therapeutic areas – experienced team
- cash from milestone payments to fund Mesoblast pipeline

2. Orthopedic pipeline

- intervertebral disc repair
- stress fractures
- spinal fusion

3. Intravenous product pipeline

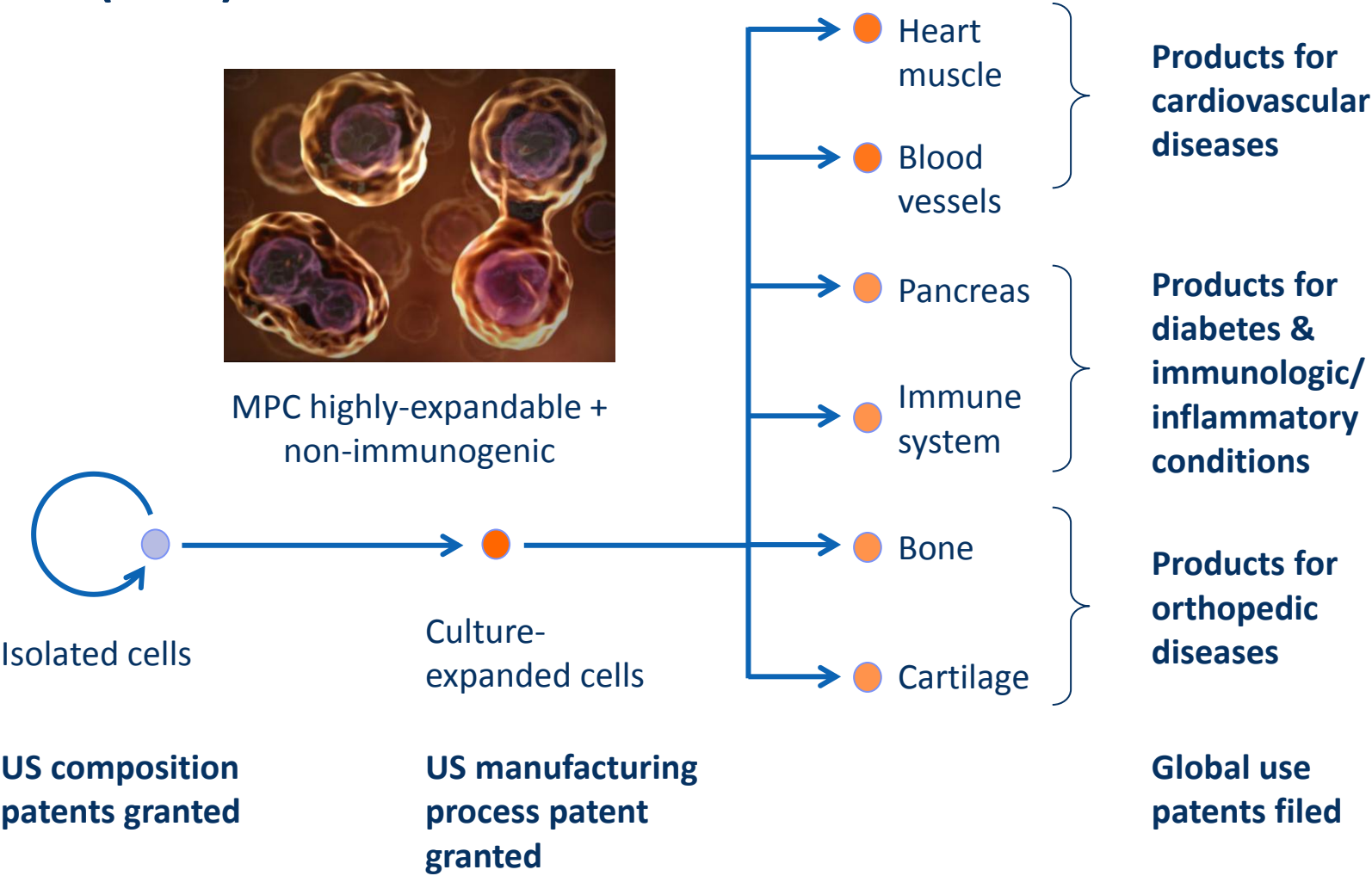
- systemically delivered cells
 - diabetes
 - immunologic conditions (eg rheumatoid arthritis)
 - inflammatory diseases of various tissues (eg lungs)

Cephalon strategic alliance

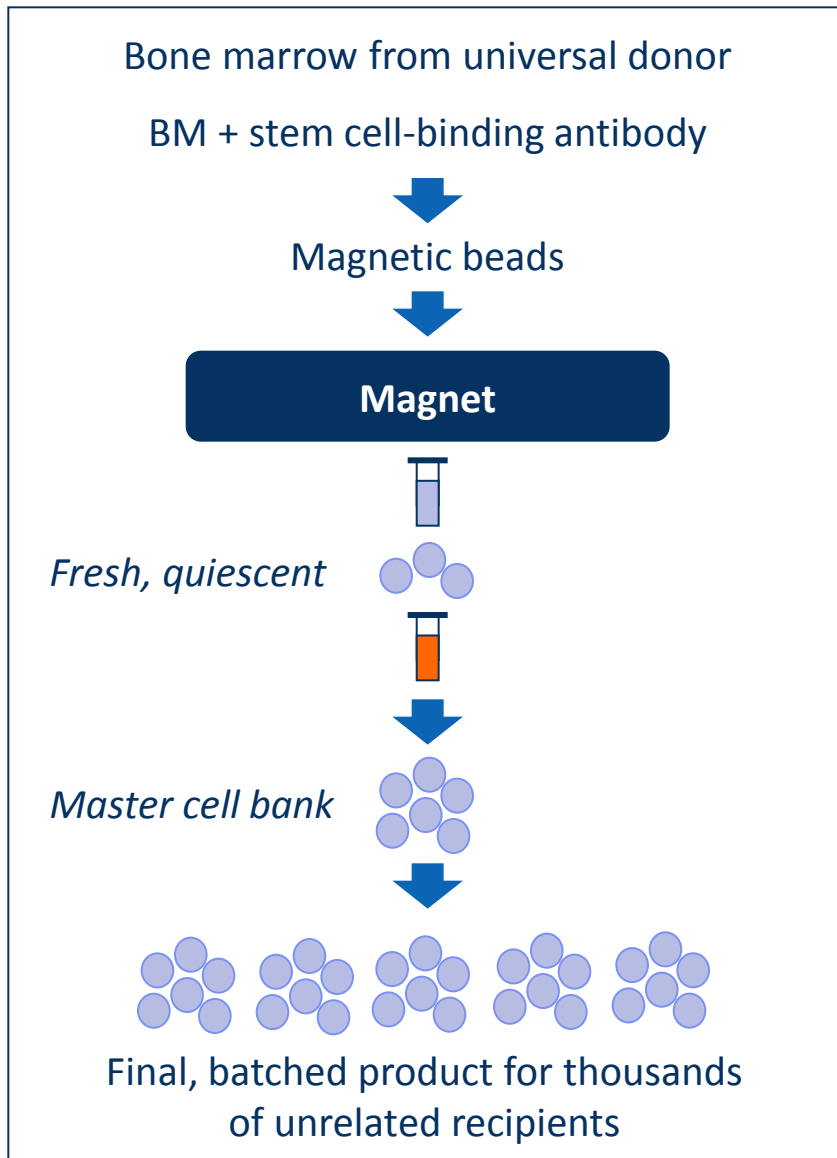
- Cephalon received exclusive worldwide commercialization rights to selected Mesoblast products in cardiovascular and neurologic indications, and bone marrow transplantation
- Cephalon responsible for funding Phase 3 clinical development
- Mesoblast receives upfront fee of US\$130 million, *plus* up to US\$1.7 billion in milestone payments, *plus* revenue split
- Cephalon acquired 19.99% stake in Mesoblast
- Mesoblast cash balance of \$270 million to fund other major indications including
 - diabetes
 - immunologic conditions (eg rheumatoid arthritis)
 - inflammatory diseases of various tissues (eg lungs)
 - ophthalmic indications
 - orthopedic cartilage and bone conditions
- Mesoblast retains all manufacturing rights



We own the intellectual property on Mesenchymal Precursor Cells (MPC)



Our industrial scale manufacturing process



- homogeneous cell population
- well-controlled cell expansion
- efficient large-scale expansion
- lower costs of cell culture process
- batch-to-batch consistency
- stringent release criteria
- greater potency of expanded product

Manufacturing strategy is central to maximising value

1. State-of-the-art manufacturing plant via strategic alliance

- cost neutral
- tax effective geographical location
- best of breed, cutting edge technology

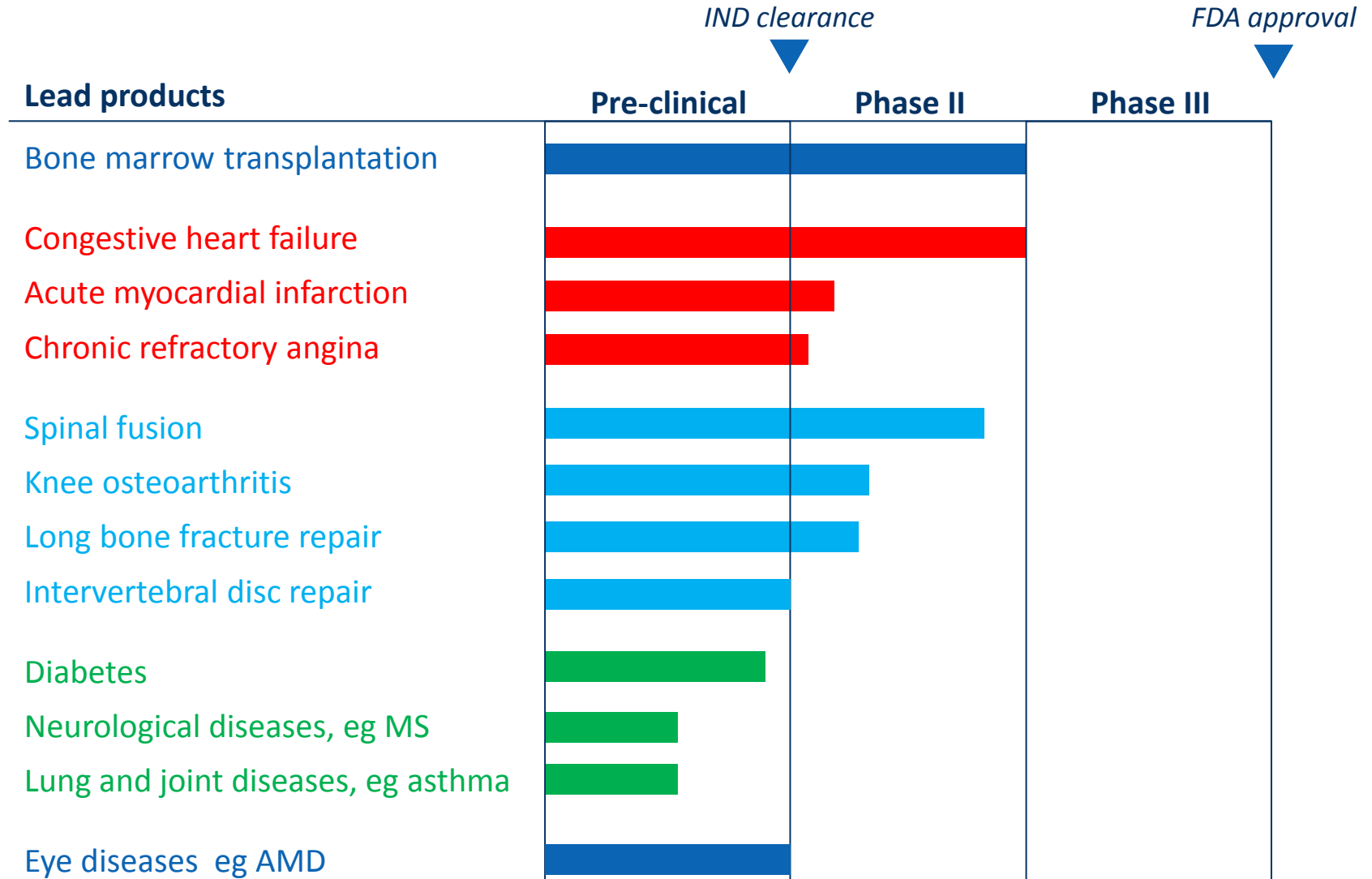
2. Retain control of manufacture for all products

- product delineation for distribution partners
- maintain optimal product pricing differences

3. Commercial benefits

- reduced COGS, increased margins
- R&D support for new product pipelines
- leverage new technologies

“Off-the-shelf” product franchises driving value creation



Cardiovascular franchise – congestive heart failure (CHF)

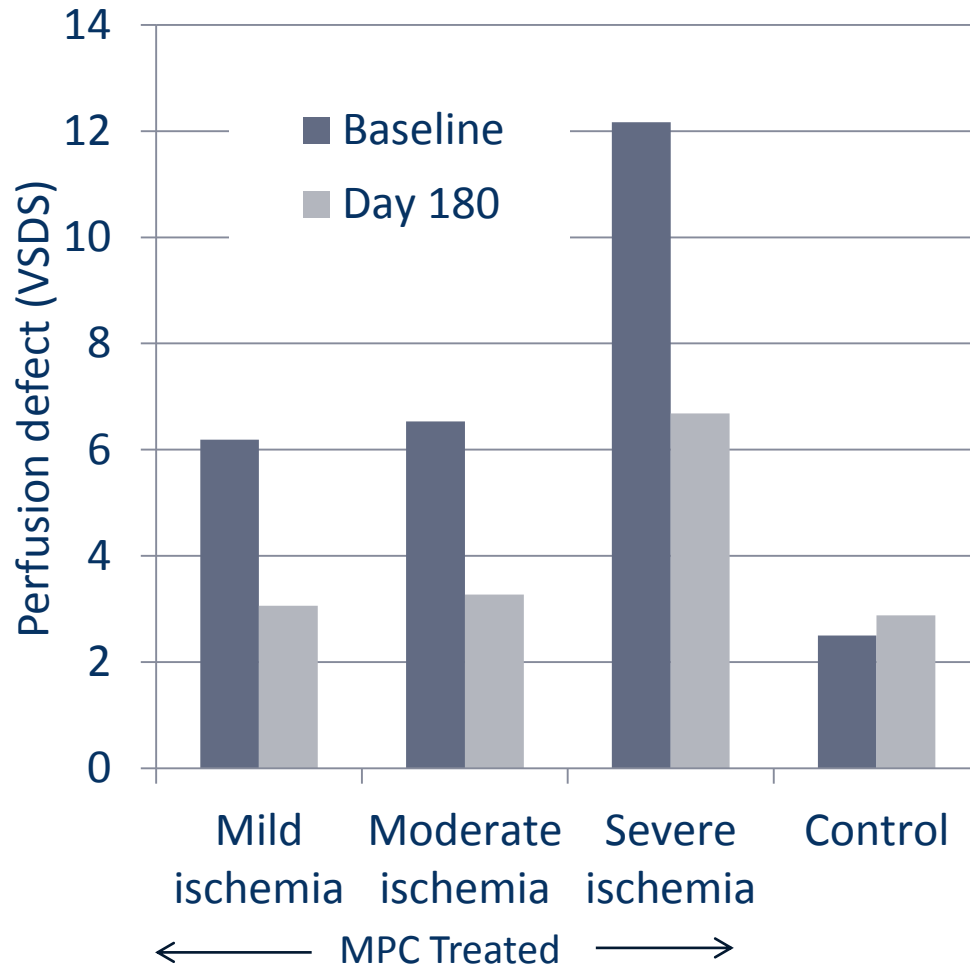
- 60 patient multi-center, randomized, controlled Phase 2 trial
- Class II-IV CHF, ejection fraction < 40% (high 6- and 12-month mortality)
- randomized 3:1 controls to MPCs at 25M, 75M or 150M cell doses
- cells injected by J&J NOGA Myostar™ catheter – single injection

- primary endpoint of safety met, no adverse events associated with MPCs at any dose

- key efficacy endpoints after average 18 month follow-up:
 - 50% reduction in serious adverse cardiac events (p=0.001)
 - 80% reduction in major adverse cardiac events (p=0.005)
 - 13% cardiac-related mortality in controls, vs 0% in treated (p=0.059)

prevalence 6.2 million in US, > 670,000 new patients annually

Cardiovascular franchise – chronic refractory ischemia



250,000 new patients annually in US alone

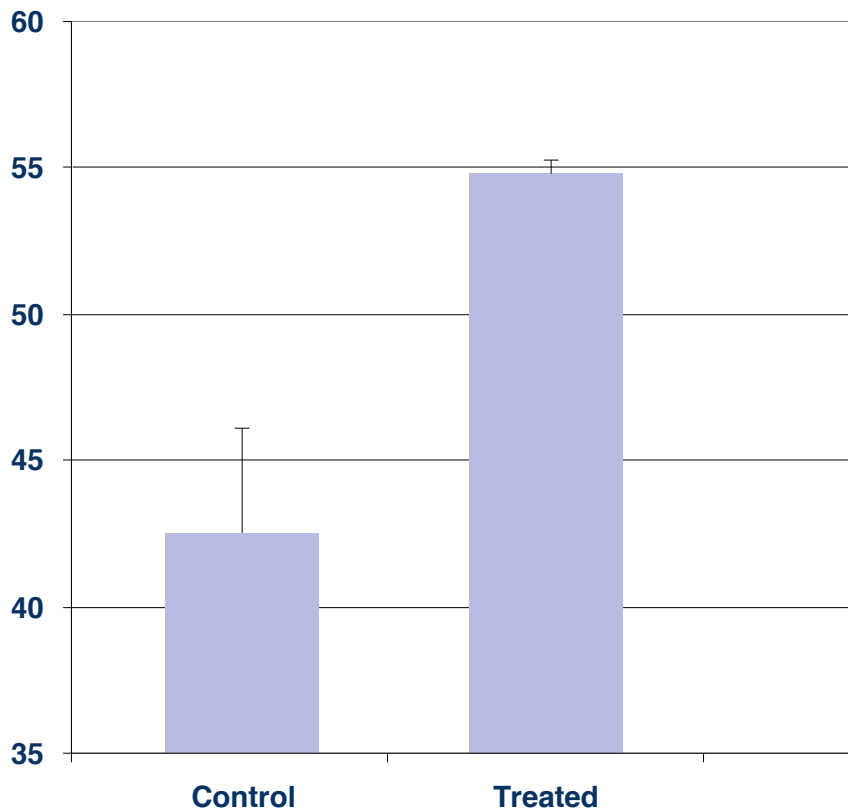
Perfusion results in humans

- VSDS score >0 indicates a perfusion defect, higher scores mean greater defect
- when the heart is stressed it does not receive sufficient blood flow
- treated patients with perfusion defect show statistically significant increased perfusion while control patients do not change over time
- increased new large blood vessel formation

Cardiovascular franchise – acute myocardial infarction

Pre-clinical sheep model

Left ventricular ejection fraction at 8 week follow up



1.2 million new patients annually in US alone

Phase 2 trial design

- multi-country, 225 patient double blind randomized placebo controlled
- intracoronary infusion, two doses of MPCs vs saline (12.5M and 25M) randomized 1:1:1
- functional parameters MACE, reduction in infarct size
- additional functional efficacy assessments include LVEF, perfusion, volume changes, exercise treadmill test
- 24 month follow up

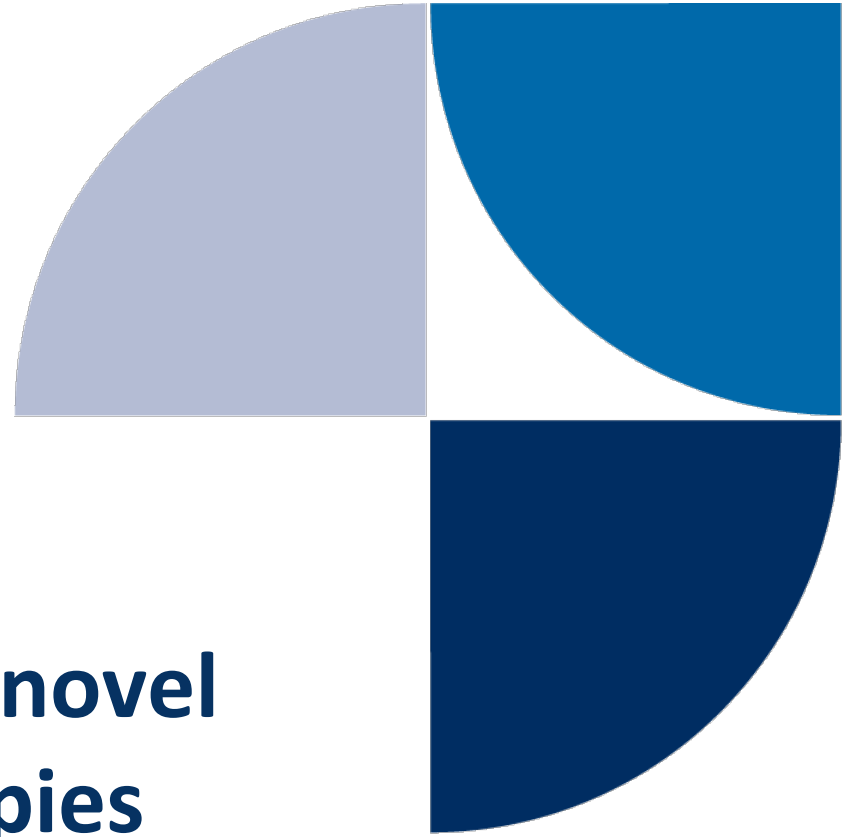
Intravenous franchise – preclinical development

- high value product using systemic administration
- applications:
 - diabetes
 - inflammatory joint diseases (rheumatoid arthritis)
 - lung diseases (asthma)
 - neurological diseases (MS)
- we are generating compelling preclinical data in each of these areas to support early commencement of Phase 2 human trials
 - “best in breed” preclinical models, high predictive value

Value inflexion points – near term

- commencement of Phase 3 cord blood expansion trial
- successful completion of Phase 2 heart failure trial
 - progression to Phase 3 pivotal trial
- commencement of intra-coronary heart attack Phase 2 trial
- successful completion of orthopedic Phase 2 trials
- commencement of disc repair Phase 2 trial
- moving diabetes and eye diseases into Phase 2 trials
- building the intravenous franchise
- further partnering opportunities – optimal timing
- manufacturing strategic alliance

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