

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

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FILER

MEDGENICS, INC.

CIK: **1138776** | IRS No.: **980217544** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: **001-35112** | Film No.: **13689657**
SIC: **2836** Biological products, (no diagnostic substances)

Mailing Address

*TERADION BUSINESS PK.
P.O. BOX 14
MISGAV L3 20179*

Business Address

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P.O. BOX 14
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1-646-239-1690*

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

March 14, 2013 (March 8, 2013)
Date of Report (Date of earliest event reported)

MEDGENICS, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

1-35112
(Commission File Number)

98-0217544
(I.R.S. Employer
Identification No.)

555 California Street, Suite 365
San Francisco, California 94104
(Address of principal executive offices, zip code)

(415) 568-2245
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On March 8, 2013, the Board of Directors of Medgenics, Inc., a Delaware corporation (the “Company”), elected Joseph J. Grano, Jr. to fill the vacancy in the Board of Directors created by the passing of Gary Brukaradt. Such appointment will be effective as of March 15, 2013.

It has not yet been determined to which committees of the Board of Directors of the Company Mr. Grano will be appointed.

In connection with Mr. Grano’s election as a Director and as inducement to his service, the Compensation Committee of the Company’s Board of Directors approved the grant to Mr. Grano of stock options covering up to 300,000 shares of the Company’s common stock, \$0.0001 par value per share (“Common Stock”), at a per share exercise price of \$4.99 (representing the closing price of the Common Stock on the NYSE MKT on March 7, 2013), subject to approval by the NYSE MKT of an additional listing application covering the issuance of the shares underlying such options. 100,000 shares underlying such options will vest upon grant and the remaining 200,000 shares will vest in equal installments on each of the first and second anniversaries of the effective date of Mr. Grano’s appointment, subject to his continuous service through each vesting date. The options may only be exercised for cash and have a 5-year term. The grant is being made pursuant to a stand-alone award agreement outside of the Company’s Stock Incentive Plan and qualifies as an inducement grant that does not require stockholder approval pursuant to Section 711 of the NYSE MKT Company Guide.

In addition, as of March 8, 2013, the Company and Mr. Grano entered into a Director Appointment Letter (the “Letter Agreement”) setting forth, among other things, Mr. Grano’s duties as a director. Pursuant to the Letter Agreement, Mr. Grano will be entitled to the same cash fees for his services as a director as the other non-executive directors pursuant to the director compensation plan previously adopted by the Board. These fees consist of a \$15,000 annual retainer fee, as well as meeting fees that range between \$1,000 and \$2,000 per meeting based on location and type. The fees are fixed for a period of one year from the date of the Letter Agreement, following which they shall be subject to review. Pursuant to the Letter Agreement, Mr. Grano also agreed to maintain the confidentiality of all confidential business information, to disclose conflicts of interest to the Company and not to compete or solicit certain employees or other parties with which the Company does business for a period ending twelve months following the termination of his directorship.

The foregoing description of the Letter Agreement is qualified in its entirety by reference to the Letter Agreement, a copy of which is filed as Exhibit 10.1 to this Form 8-K and incorporated by reference herein.

Item 7.01 Regulation FD Disclosure.

Attached hereto as Exhibit 99.1 is a copy of the Company’s press release, dated March 12, 2013, regarding the election of Mr. Grano.

The information furnished in this report under this Item 7.01, including Exhibit 99.1 attached hereto, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits. The following exhibit is furnished herewith:

<u>Exhibit No.</u>	<u>Description</u>
10.1	Director Appointment Letter, dated as of March 8, 2013, between Medgenics, Inc. and Joseph J. Grano, Jr.
99.1	Medgenics, Inc. Press Release dated March 12, 2013 (furnished pursuant to Item 7.01).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MEDGENICS, INC.

By: /s/ Phyllis K. Bellin

Name: Phyllis K. Bellin

Title: Vice President – Administration

Date: March 14, 2013



March 8, 2013

RE: Medgenics, Inc. (the “Company”)

Dear Joe,

I am writing to you on behalf of the board of directors of the Company to confirm arrangements with regard to the terms of appointment to office as a director of the Company effective March 15, 2013.

1 Definitions

For the purposes of this Letter, the following words or expressions shall have the following meanings respectively:

- “AIM” means the AIM Market of London Stock Exchange plc;
- “Biopump” means a micro organ which has undergone ex-vivo transduction with a vector such that it produces and secretes a desired therapeutic protein;
- “Board” means the board of directors of the Company, including any committee of the Board duly constituted by it;
- “Businesses” means:
- the business of the research, development, design, production, manufacturing, marketing, sale, distribution and other commercial activities of any Group Company in relation to the Group’s proprietary and/or licensed technology concerning a platform technology for the treatment of various
 - (a) diseases and/or chronic disorders and conditions whereby a sliver of human dermal tissue is converted into an internal protein production plant, through *ex vivo* transduction with a viral or non-viral vector, and the processed tissue is re-implanted under the human donor’s skin to provide therapeutic levels of protein delivery; and
 - (b) any other business that any Group Company shall at the relevant date;
 - (i) be engaged in and with which you shall have been concerned or involved to any material extent at any time during Your Appointment; or
 - (ii) have determined to carry on with a view to developing any other biotechnical technology for commercial exploitation in the future and in relation to which determination you shall at the Termination Date possess any material Confidential Business Information;
- “Confidential Business Information” means all and any Corporate Information, Marketing Information, Technical Information and other information (whether or not recorded in documentary form or on computer disk or tape) which the Company or any Group Company treats as confidential or in respect of which it owes an obligation of confidentiality to any third party, which is not in the public domain;

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- (a) which you shall have acquired or shall hereafter acquire at any time during Your Appointment but which does not form part of your own stock in trade; and
- (b) which is not readily ascertainable to persons not connected with the Company or any Group Company;

“Corporate Information”

means all and any information (whether or not recorded in documentary form or on computer disk or tape) relating to the business methods, corporate plans, management systems, finances, maturing new business opportunities or research and development projects of the Company or any Group Company;

“DGCL”

means Delaware General Corporation Law;

“Group”

means the Company and its affiliates, including any company that controls, is controlled by, or is under common control with the Company, as defined in Rule 3b-18 of the Securities Exchange Act of 1934, as amended from time to time, including, without limitation to the generality of the foregoing, Medgenics Medical (Israel) Limited;

“Group Company”

means a member of the Group and “Group Companies” shall be interpreted accordingly;

“Marketing Information”

means all and any information (whether or not recorded in documentary form or on computer disk or tape) relating to the marketing or sales of any past present or future product or service of the Company or any Group Company including, without limitation, sales targets and statistics, market share and pricing statistics, marketing surveys and plans, market research reports, sales techniques, price lists, discount structures, advertising and promotional material, the names, addresses, telephone numbers, contact names and identities of customers and potential customers of and suppliers and potential suppliers to the Company or any Group Company, the nature of their business operations, their requirements for any product or service sold to or purchased by the Company or any Group Company and all confidential aspects of their business relationship with the Company or any Group Company;

“Material Interest”

means:

- (a) the holding of any position as director, officer, employee, consultant, partner, principal or agent;
- (b) the direct or indirect control or ownership (whether jointly or alone) of any shares (or any voting rights attached to them) or debentures save for the ownership for investment purposes only of not more than five percent (5%) of the issued shares of any company whose shares are listed on any national securities exchange (as defined in Section 3(a)(1) of the Securities Exchange Act of 1934, as amended from time to time), or any similar exchange in jurisdictions outside the United States, including AIM; or

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(c) the direct or indirect provision of any finance;

other than on behalf of any Group Company for the legitimate purposes of that Group Company;

“Technical Information” means all and any trade secrets, secret formulae, processes, inventions, designs, know-how discoveries, technical specifications and other technical information (whether or not recorded in documentary form or on computer disk or tape) relating to the creation, production or supply of any past, present or future product or service of the Company or any Group Company;

“Termination Date” means the date of the termination of Your Appointment; and

“Your Appointment” means your appointment to and holding of office as a director of the Company as confirmed by this letter effective March 15, 2013.

2 Duties

2.1 As a director of the Company you will be expected to exercise the general fiduciary duties and duties of care and loyalty as provided under the DGCL and provide such advice and services as the Board may reasonably require.

2.2 The Board as a whole is collectively responsible for the success of the Company. The Board’s role is to:

2.2.1 provide entrepreneurial leadership of the Company within a framework of prudent and effective controls, which enable risk to be assessed and managed;

2.2.2 set the Group’s strategic aims, ensure that the necessary financial and human resources are in place for the Company to meet its objectives and review management performance; and

2.2.3 set the Company’s values and standards and ensure that its obligations to its shareholders and others are understood and met.

2.3 In your role as a non-executive director, you shall be required to:

2.3.1 constructively challenge and contribute to the development of the Group’s strategy;

2.3.2 scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;

2.3.3 satisfy yourself that financial information is accurate and that financial controls and systems of risk management are appropriate, robust and defensible;

2.3.4 endeavor to attend all meetings of the Board and the annual and all other meetings of the shareholders of the Company;

2.3.5 at all times comply with the certificate of incorporation and bylaws of the Company, each as the same may be amended or restated from time to time;

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- 2.3.6 abide by your fiduciary duties as a director of the Company;
- 2.3.7 diligently perform your duties;
- 2.3.8 immediately report your own wrongdoing or the wrongdoing or proposed wrongdoing of any other employee or director of the Company of which you become aware to the Chairman of the Company; and
- 2.3.9 comply with the terms of the Code of Business Conduct and Ethics adopted by the Board (a copy of which is annexed hereto) and any other code of practice issued by the Company from time to time relating to dealing in the Company's securities.

2.4 In addition, your duties shall require that you shall:

- 2.4.1 promote the highest standards of integrity, probity and corporate governance throughout the Company, particularly at Board level;
- 2.4.2 use your best endeavors to ensure that the Board receives accurate, timely and clear information;
- 2.4.3 use your best endeavors to ensure effective communication with shareholders;
- 2.4.4 use your best endeavors to facilitate the effective contribution of non-executive directors and to ensure constructive relations are maintained between the executive and non-executive directors;
- 2.4.5 ensure that the performance of the Chief Executive Officer (and of any other executive director(s) from time to time) is evaluated at least once a year; and
- 2.4.6 at the request of the Company, serve on committees of the Board as shall be agreed between you and the Chairman of the Company.

3 Time Commitment

You shall work such hours per week over the term Your Appointment as are necessary for the proper performance of your duties as a non-executive director of the Company.

4 FEES

You will be entitled to certain cash fees in connection with your services as set forth below:

i.	Annual retainer fee	\$ 15,000
ii.	Per Meeting fee (including telephonic)	\$ 1,500
iii.	Per Meeting fee (outside U.S.)	\$ 2,000
iv.	Per Committee Meeting (if not associated with an on-site Board Meeting)	\$ 1,000

v.	Annual retainer fee for director acting as Chairman of committee (per committee)	\$ 5,000
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The annual retainer fees described above are paid on a fiscal year basis, and shall be prorated for any partial fiscal year of Board service. This fee and the terms prescribing the frequency of payment shall be fixed for a period of one (1) year from the date of this Letter and thereafter shall be subject to review. On termination of Your Appointment you will (if applicable) be paid your director's fee on a pro-rata basis, to the extent unpaid up to the Termination Date.

You will receive stock options to acquire 300,000 shares of common stock upon Your Appointment, subject to the approval by NYSE MKT of an additional listing application covering such shares (the date of such approval shall be referred to as the "Approval Date"). Such options will be issued outside the Company's Stock Incentive Plan, as amended (the "Stock Plan"), and will vest in three equal installments, with the first 100,000 options vesting on the Approval Date, the second 100,000 options vesting on March 15, 2014 and the remaining options vesting on March 15, 2015. You will be entitled to participate in any equity compensation program established for non-executive directors beginning in 2014. Currently, the Company has established a plan to make annual restricted share and option grants under the Stock Plan to be made on January 2nd of each year (or on the first business day thereafter or (as applicable) as soon as practical thereafter when the Company is not in a close period) as follows (i) 7,000 shares of restricted stock with 50% vesting one day after grant and the remaining 50% vesting on the first anniversary of grant; and (ii) options to purchase 15,000 shares, having a 10 year term and vesting in equal installments over 3 years. You acknowledge that the Company may determine to change this equity compensation program and this Letter shall in no way be deemed to be a guarantee of future option grants.

5 Term of office

Your Appointment will commence on March 15, 2013 and shall continue unless or until your successor is elected and qualified or until your earlier resignation or removal. You agree that you will give not less than sixty (60) days' (or such lesser period if agreed by the Board) prior notice in writing to the Company in the event you wish to resign prior to the expiration of your term or in the event you do not wish to stand for re-election at the Company's annual meeting of stockholders.

For the avoidance of doubt, by your counter-signature hereto, you acknowledge that your continuation in office is subject to the DGCL and the certificate of incorporation and bylaws of the Company, each as the same may be amended or restated from time to time.

On termination of Your Appointment for whatever reason you will promptly return to the Company all documents, records, keys, correspondence or other items in your possession or under your control which relate in any way to the business or affairs of, or are the property of, the Company or any Group Company and all copies thereof, regardless of the medium upon or in which such copies are stored or held. In addition, you will cease to use the Company's facilities and cease to hold yourself out as being a director of the Company.

6 Expenses

The Company shall reimburse you in respect of all reasonable travelling, hotel, entertainment and other out of pocket expenses properly and necessarily incurred by you in or about the performance of your duties under this Agreement, subject to the production (if requested) of any receipts, vouchers and other supporting documentation that the Company shall reasonably require.

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7 Confidentiality

- 7.1 Both during the currency and after the Termination Date, you will treat all Confidential Business Information as confidential and not use or disclose the same to any other party except:
- 7.1.1 insofar as may be necessary for the proper and effective performance of your duties as a director of the Company and then only to a person who shall be subject to equivalent, express, written confidentiality obligations to the Company or a Group Company;
 - 7.1.2 to the extent that such information is or (without default of your part) becomes generally available to the public; or
 - 7.1.3 to the extent that you shall be required to disclose the same by any applicable law or legally binding order of any court, government, semi-governmental authority, administrative or judicial body, or a legally binding requirement of a stock exchange or regulator.
- 7.2 If you are required to make a disclosure as contemplated in clause 7.1.3:
- 7.2.1 you must disclose only the minimum Confidential Business Information required to comply with the applicable law, order or requirement; and
 - 7.2.2 before making such disclosure, you must:
 - (a) give the Company reasonable written notice of:
 - (i) the full circumstances of the requirement for disclosure arising; and
 - (ii) the Confidential Business Information which you propose to disclose; and
 - (b) consult with the Company as to the form of the disclosure.
- 7.3 By your counter-signature hereto, you acknowledge that:
- 7.3.1 the Company and each Group Company possess a valuable body of Confidential Business Information;
 - 7.3.2 the Company has given and will continue to give you access to Confidential Business Information in order that you may carry out your duties hereunder;
 - 7.3.3 your duties include, without limitation, a duty of care and a duty of loyalty as provided under the DGCL; and
 - 7.3.4 the disclosure of any Confidential Business Information other than for the legitimate business purposes of the Company or any Group Company, including (without limitation) to an actual or potential competitor of the Company or any Group Company could place such company at a serious competitive disadvantage and could cause immeasurable (financial and other) damage to the Businesses

and that the obligations of confidentiality assumed under the provisions of this clause 7 are reasonable and necessary for the protection of the Group, the Businesses and the Confidential Business Information.

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8 Other Interests and Restrictions

8.1 It is accepted and acknowledged that you have business interests other than those of the Company and that you have declared any potential conflicts that are apparent at present. If you become aware of any potential conflicts of interest after the date hereof, these should be disclosed to the Chairman of the Company and company secretary as soon as you become aware thereof.

8.2 By your counter-signature hereto, you agree and undertake that, during the term of Your Appointment, you shall not, without the Company's written permission, assume or hold any Material Interest in any person, firm or company which:

8.2.1 impairs or might reasonably be thought by the Board to impair your ability to act at all times in the best interests of the Company; or

8.2.2 requires or might reasonably be thought by the Board to require you to disclose any Confidential Business Information in order properly to discharge your duties to or to further your interest in such person, firm or company.

8.3 By your counter-signature hereto, you agree and undertake that you will not, without the Company's written permission, during the term of Your Appointment and for the period of 12 months after the Termination Date, in any part of the world, whether directly or indirectly:

8.3.1 assume or hold a Material Interest in a business which manufactures, distributes or utilizes the Group's Biopump technology using Biopumps;

8.3.2 solicit, or by any other means induce or seek to induce, any person, firm or company with whom or which any Group Company transacts business (whether as customer, supplier, contractor, licensor, adviser or otherwise in relation to the Business) to cease dealing with such Group Company or to restrict or vary the terms upon which it deals with such Group Company;

8.3.3 solicit or entice away or employ or engage or seek to entice away from any Group Company any person who is and was at the Termination Date or at any time during the six (6) months prior to the Termination Date a director, scientific adviser, regulatory adviser, bioscience engineer or other scientific, program, product development, marketing, sales, licensing, research and development and/or other senior manager, key salesperson or secretary (if any) assigned to you; and

8.3.4 enter into a license with Yissum Research Development Company of the Hebrew University of Jerusalem ("Yissum") for any of the technologies that are currently expressly excluded from the "Scope" of the Agreement between Yissum and the Company dated November 23, 2005 (the "Yissum License"), as set forth on Appendix A of the Yissum License.

8.4 By your counter-signature hereto, you agree and undertake that you will not at any time after the Termination Date, represent or hold yourself out or permit yourself to be represented or held out by any person, firm or company as being in any way then currently connected with or interested in the Company or any Group Company other than (if such be the case) as the holder of shares, options and/or warrants in the Company.



8.5 Each of the provisions of clauses 8.2, 8.3 and 8.4 and (where applicable) the sub-clauses thereof is independent and severable from the remaining provisions and enforceable accordingly. If any provision of the said clauses/sub-clauses shall be unenforceable for any reason but would be enforceable if part of the wording thereof were deleted, it shall apply with such deletions as may be necessary to make it enforceable.

8.6 You have given the undertakings contained in this clause 8 to the Company itself and to the Company as trustee for the benefit of each Group Company and will, at the request and cost of the Company, promptly enter into direct undertakings with any Group Company which correspond to the undertakings in this clause 8.

8.7 The Company agrees that each Material Interest that you assume or hold as of the date hereof is hereby permitted.

9 Independent Legal Advice

Occasions may arise when you consider that you will need professional advice in connection with the performance of your duties as a director of the Company and you will be able to consult the Company's advisors for this purpose. Exceptional circumstances may occur when it may be appropriate for you to seek such advice from independent advisors, at the Company's expense. In such an event, you should, where reasonably practical and not (in your reasonable judgment) prejudicial to the interests of the Company, consult with the Board or, if you consider appropriate, the non-executive directors, prior to such advice being sought or expense being incurred.

10 Governing law and jurisdiction

This Letter shall be governed by and shall be interpreted in accordance with the DGCL. The parties irrevocably submit to the non-exclusive jurisdiction of the state courts of Delaware, USA in relation to all matters arising out of or in connection with this appointment letter.

On a more personal note, I want to tell you how pleased I am that you are joining the Medgenics Board of Directors. I know that I speak for the other directors in saying that we look forward to your leadership and contributions as a director. As required by AIM rules, I should be grateful if you would please confirm your acceptance of the terms of your appointment by signing and returning the duplicate of this Letter.

With kind regards,

/s/ Sol J. Barer

Sol J. Barer, Ph.D.

Duly authorized for and on behalf of the Board

I hereby acknowledge the above terms and agree and undertake in the above terms.

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SIGNED AS A DEED)
by Joseph J. Grano, Jr.)
in the presence of:-)

/s/ Joseph J. Grano, Jr.
Joseph J. Grano, Jr.

Witness Signature

Name:

Address:

Occupation:

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Medgenics Appoints Former Chairman and CEO of UBS Financial Services Joseph J. Grano, Jr. to Board of Directors

MISGAV, Israel and SAN FRANCISCO (March 12, 2013) – Medgenics, Inc. (NYSE MKT: MDGN and AIM: MEDU, MEDG) (the “Company” or “Medgenics”), the developer of a novel platform technology for the sustained production and delivery of therapeutic proteins in patients using their own tissue, announces the appointment of Joseph J. Grano, Jr. to the Company’s Board of Directors effective March 15, 2013. Mr. Grano’s appointment fills the vacancy resulting from Gary Brukart’s death in 2012.

Mr. Grano is Chairman and CEO of Centurion Holdings LLC, a provider of advisory services to public and private clients on all facets of business strategy and capital markets access. Previously he was Chairman and CEO of UBS Financial Services Inc. (formerly UBS/PaineWebber), subsequent to the merger between UBS and PaineWebber in 2000. Prior to joining PaineWebber he held various senior management positions at Merrill Lynch including Director of National Sales.

“We are honored to welcome Joe Grano to our Board of Directors. His considerable experience and business acumen will be invaluable assets to Medgenics as we develop our proprietary Biopump technology for the sustained production and delivery of therapeutic proteins from the patients’ own dermis. His wealth of knowledge will be a welcome addition to our Board of leading business and biotechnology executives,” stated Andrew L. Pearlman, Chief Executive Officer of Medgenics.

“I am delighted to be joining the Medgenics Board of Directors at this exciting stage of its clinical development. The Biopump technology represents a potential breakthrough in the way we treat a number of chronic diseases and conditions. I am encouraged by the multitude of opportunities this versatile platform technology can address and look forward to helping Medgenics reach the next level,” commented Mr. Grano.

Mr. Grano is the former Chairman of the Board of Governors of NASD and was a member of the NASD’s Executive Committee. He was appointed by President George W. Bush in 2002 to serve as the Chairman of the Homeland Security Advisory Council, a position he held until August 2005.

Mr. Grano was a captain in the U.S. Special Forces (Green Berets), and is a member of the City University of New York’s Business Leadership Council and a former member of the National Board of D.A.R.E. He holds honorary Doctor of Law degrees from Pepperdine University and Babson College, as well as an honorary Doctor of Human Letters degree from Queens College. He served on the Board of Directors of the YMCA of Greater New York and of Lenox Hill Hospital in New York City.

In connection with Mr. Grano's appointment, the Compensation Committee of Medgenics' Board of Directors granted Mr. Grano an inducement award consisting of stock options covering up to 300,000 shares of the Company's common stock, \$0.0001 par value per share ("Common Stock"), at a per share exercise price of \$4.99, representing the closing price of the Common Stock on the last trading day before the grant date. These options have a five-year term, with 100,000 shares of Common Stock underlying such options vesting immediately and the remaining underlying shares vesting equally on March 15, 2014 and March 15, 2015, subject to his continuous service through each vesting date. The Compensation Committee of Medgenics' Board of Directors, which is comprised solely of independent directors, granted this award on March 7, 2013 pursuant to a stand-alone award agreement outside of Medgenics' Stock Incentive Plan as inducements material to Mr. Grano's acceptance of his appointment to the Board of Directors in accordance with Section 711 of the NYSE MKT Company Guide and subject to approval of NYSE MKT of an additional listing application covering the shares underlying such options.

About Medgenics

Medgenics is developing and commercializing Biopump™, a proprietary tissue-based platform technology for the sustained production and delivery of therapeutic proteins using the patient's own tissue for the treatment of a range of chronic diseases including anemia, hepatitis and hemophilia, among others. For more information, visit the Company's website at www.medgenics.com.

Forward-looking Statements

This release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and as that term is defined in the Private Securities Litigation Reform Act of 1995, which include all statements other than statements of historical fact, including (without limitation) those regarding the Company's financial position, its development and business strategy, its product candidates and the plans and objectives of management for future operations. The Company intends that such forward-looking statements be subject to the safe harbors created by such laws. Forward-looking statements are sometimes identified by their use of the terms and phrases such as "estimate," "project," "intend," "forecast," "anticipate," "plan," "planning," "expect," "believe," "will," "will likely," "should," "could," "would," "may" or the negative of such terms and other comparable terminology. All such forward-looking statements are based on current expectations and are subject to risks and uncertainties. Should any of these risks or uncertainties materialize, or should any of the Company's assumptions prove incorrect, actual results may differ materially from those included within these forward-looking statements. Accordingly, no undue reliance should be placed on these forward-looking statements, which speak only as of the date made. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based. As a result of these factors, the events described in the forward-looking statements contained in this release may not occur.

Contacts:

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or

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