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Fate Therapeutics Announces First Patient Treated in ProTmune™ PROTECT Clinical Trial for the Prevention of Graft-Versus-Host Disease

SAN DIEGO, Jan. 05, 2017 (GLOBE NEWSWIRE) -- Fate Therapeutics, Inc. (NASDAQ:FATE), a biopharmaceutical company dedicated to the development of programmed cellular immunotherapies for cancer and immune disorders, announced today that the first patient has been treated in its PROTECT clinical trial of ProTmune for the prevention of acute graft-versus-host disease (GvHD).

"GvHD is a severe and often life-threatening condition for which there are no approved preventative therapies and very few treatment options," said Chris Storgard, M.D., Chief Medical Officer of Fate Therapeutics. "We are very pleased to have the first patient treated with ProTmune, our next-generation hematopoietic cell graft for patients undergoing allogeneic transplantation. We look forward to evaluating the potential of ProTmune to pre-emptively address a multitude of life-threatening complications that compromise a transplant's curative outcome."

GvHD is a severe immunological complication that arises in patients when newly-transplanted donor immune cells attack the patient's tissues and organs, resulting in a potentially fatal immune system reaction. Despite the use of protocols to prevent its occurrence, up to 50 percent of patients undergoing allogeneic hematopoietic cell transplantation (HCT) experience GvHD. Immunosuppressant treatments are effective in only about half of affected HCT patients and are associated with a marked increase in severe infections and cancer relapse.

The PROTECT clinical trial is designed as a two-stage study intended to evaluate the safety and efficacy of ProTmune in adult subjects with hematologic malignancies. The Phase 1 stage is assessing the safety of ProTmune in up to 10 subjects. The randomized, controlled Phase 2 stage is intended to assess the efficacy of ProTmune in 60 subjects. In late 2016, the Company amended the PROTECT study's clinical protocol to blind both investigators and subjects, enhancing the potential of the PROTECT study to support accelerated registration.

The primary endpoint of the PROTECT clinical trial is cumulative incidence of acute GvHD by Day 100 following HCT. Other key endpoints undergoing assessment include cumulative incidence of severe infections, cancer relapse, event-free survival and overall survival.

About ProTmune™
ProTmune™ is an investigational next-generation hematopoietic cell graft for the prevention of life-threatening complications, including acute graft-versus-host disease, in patients undergoing allogeneic hematopoietic cell transplantation. ProTmune is manufactured by pharmacologically modulating a donor-sourced, mobilized peripheral blood graft *ex vivo* with two small molecules (FT1050 and FT4145) to enhance the biological properties and therapeutic function of the graft's cells. ProTmune has been granted Orphan Drug and Fast Track Designations by the U.S. Food and Drug Administration, and Orphan Medicinal Product Designation by the European Medicines Agency.

About Fate Therapeutics, Inc.
Fate Therapeutics is a biopharmaceutical company dedicated to the development of programmed cellular immunotherapies for cancer and immune disorders. The Company's hematopoietic cell therapy pipeline is comprised of NK- and T-cell immuno-oncology programs, including off-the-shelf product candidates derived from engineered induced pluripotent cell lines, and immuno-regulatory programs, including product candidates to prevent life-threatening complications in patients undergoing hematopoietic cell transplantation and to promote immune tolerance in patients with autoimmune disease. Its adoptive cell therapy programs are based on the Company's novel *ex vivo* cell programming approach, which it applies to modulate the therapeutic function and direct the fate of immune cells. Fate Therapeutics is headquartered in San Diego, CA. For more information, please visit www.fatetherapeutics.com.

Forward-Looking Statements
This release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding the therapeutic and market potential of ProTmune™, the Company's progress and plans for its clinical investigation of ProTmune, the ability of ProTmune to prevent, or reduce the incidence or severity of, graft-versus-host disease, severe infections, disease relapse or mortality, and the Company's product registration strategy for ProTmune including its ability to pursue accelerated registration. These and any other forward-looking statements in this release are based on management's current expectations of future events and are subject to a number of risks and

uncertainties that could cause actual results to differ materially and adversely from those set forth in or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to, the risk of cessation or delay of planned development and clinical activities for a variety of reasons (including any delay in enrolling patients in clinical trials, or the occurrence of any adverse events or other results that may be observed during development), the risk that results observed in prior preclinical studies of ProTmune may not be replicated in subsequent studies or clinical trials, the risk that ProTmune may not produce therapeutic benefits or may cause other unanticipated adverse effects, and the risk that the Company may allocate its financial and other resources to programs or product candidates that ultimately have less therapeutic or commercial potential than other product opportunities. For a discussion of other risks and uncertainties, and other important factors, any of which could cause the Company's actual results to differ from those contained in the forward-looking statements, see the risks and uncertainties detailed in the Company's periodic filings with the Securities and Exchange Commission, including but not limited to the Company's most recently filed periodic report and, from time to time, in the Company's other investor communications. The Company is providing the information in this release as of this date and does not undertake any obligation to update any forward-looking statements contained in this release as a result of new information, future events or otherwise.

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