

BrainStorm Announces Third Quarter 2017 Financial Results

Conference Call with Management to Discuss Recent Corporate Progress at 8:30am Eastern Time Today

HACKENSACK, N.J. and PETACH TIKVAH, Israel, Oct. 17, 2017 /PRNewswire/ -- BrainStorm Cell Therapeutics Inc. (NASDAQ: BCLI), a leading developer of adult stem cell therapies for neurodegenerative diseases, announced financial results for the third quarter ending September 30, 2017.

"We have had a very active third quarter culminating in the initiation of our Phase 3 trial investigating NurOwn® in amyotrophic lateral sclerosis(ALS), as announced yesterday. The first patients have enrolled into the trial, and we look forward to data in 2019," said Chaim Lebovits, president and chief executive officer of BrainStorm. "ALS is a devastating disease with very few treatment options for patients. In our placebo-controlled phase 2 trial NurOwn® demonstrated significant clinical benefit for ALS patients. We look forward to providing updates as the Phase 3 trial progresses."

Third Quarter Highlights:

- Awarded a \$16 million grant from the California Institute for Regenerative Medicine (CIRM) to support the Phase 3 trial of NurOwn® in ALS. A milestone payment of \$5.5 million, representing approximately 30% of the grant, has been received. The trial will evaluate the safety and efficacy of repeated administrations of NurOwn® and is expected to enroll approximately 200 participants.
- Entered into agreements with Massachusetts General Hospital, California Pacific Medical Center, and University of California-Irvine Medical Center to participate in the Phase 3 trial of NurOwn® in ALS.
- Signed a definitive agreement with Worldwide Clinical Trials as the clinical research organization (CRO) for the Phase 3 NurOwn® trial.

Financial Results for the Third Quarter Ended September 30, 2017

- Research and development expenses, net for the three months ended September 30, 2017 and 2016 were \$1,168,000 and \$790,000, respectively.
- General and administrative expenses for the three months ended September 30, 2017 and 2016 were \$1,224,000 and \$848,000, respectively.
- Net loss for the three months ended on September 30, 2017 was \$2,403,000, as compared to a net loss of \$1,606,000 for the three months ended September 30, 2016. Net loss per share for the three months ended September 30, 2017 and 2016 was \$0.13 and \$0.09, respectively.
- At September 30, 2017, the Company had cash, cash equivalents and short-term bank deposits amounting to \$10,547,000.

Financial Results for the Nine Months Ended September 30, 2017

- Research and development expenses, net for the nine months ended September 30, 2017 and 2016 were \$2,544,000 and \$1,927,000, respectively.
- General and administrative expenses for the nine months ended September 30, 2017 and 2016 were \$2,693,000 and \$2,506,000 respectively.
- Net loss for the nine months ended on September 30, 2017 was \$5,228,000 as compared to a net loss of \$4,358,000 for the nine months ended September 30, 2016. Net loss per share for the nine months ended September 30, 2017 and 2016 was \$0.28 and \$0.23, respectively.

Conference Call on Tuesday, October 17, 2017

Members of BrainStorm's senior management team, including Chaim Lebovits, CEO, and Ralph Kern, M.D., MHSc, COO and CMO, will host a conference call and live webcast for the investment community on Tuesday, October 17, 2017 at 8:30am Eastern Time. The details are as follows:

Toll
Free: 888-395-3237
Israel Investors: 1 80 924 5905
International: 719-325-2349
Conference ID: 4131959
Webcast: <http://public.viavid.com/index.php?id=126580>

Replays, available through October 31,
2017

Toll Free: 844-512-2921
International: 412-317-6671
Conference ID: 4131959

About BrainStorm Cell Therapeutics Inc.

BrainStorm Cell Therapeutics Inc. is a biotechnology company engaged in the development of first-of-its-kind adult stem cell therapies derived from autologous bone marrow cells for the treatment of neurodegenerative diseases. The Company holds the rights to develop and commercialize its NurOwn® technology through an exclusive, worldwide licensing agreement with Ramot, the technology transfer company of Tel Aviv University. NurOwn has been administered to approximately 75 patients with ALS in clinical trials conducted in the United States and Israel. In a randomized, double-blind, placebo-controlled clinical trial conducted in the U. S., a clinically meaningful benefit was demonstrated by higher response to NurOwn® compared with placebo. For more information, visit the company's website at www.brainstorm-cell.com.

Safe-Harbor Statement

Statements in this announcement other than historical data and information constitute "forward-looking statements" and involve risks and uncertainties that could cause BrainStorm Cell Therapeutics Inc.'s actual results to differ materially from those stated or implied by such forward-looking statements. Terms and phrases such as "may", "should", "would", "could", "will", "expect", "likely", "believe", "plan", "estimate", "predict", "potential", and similar terms and phrases are intended to identify these forward-looking statements. The potential risks and uncertainties include, without limitation, risks associated with BrainStorm's limited operating history, history of losses; minimal working capital, dependence on its license to Ramot's technology; ability to adequately protect the technology; dependence on key executives and on its scientific consultants; ability to obtain required regulatory approvals; and other factors detailed in BrainStorm's annual report on Form 10-K and quarterly reports on Form 10-Q available at <http://www.sec.gov>. These factors should be considered carefully, and readers should not place undue reliance on BrainStorm's forward-looking statements. The forward-looking statements contained in this press release are based on the beliefs, expectations and opinions of management as of the date of this press release. We do not assume any obligation to update forward-looking statements to reflect actual results or assumptions if circumstances or management's beliefs, expectations or opinions should change, unless otherwise required by law. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements.

CONTACTS

Media:
Uri Yablonka
Chief Business Officer
BrainStorm Cell Therapeutics Inc.
Phone: 646-666-3188
uri@brainstorm-cell.com

Investors:
Michael Rice
LifeSci Advisors, LLC
Phone: 646-597-6979
mrice@lifesciadvisors.com

BRAINSTORM CELL THERAPEUTICS INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED BALANCE SHEETS

U.S. dollars in thousands
(Except share data)

ASSETS

Current Assets:

	<u>September 30,</u> <u>2017</u>	<u>December 31,</u> <u>2016</u>
	<u>U.S. \$ in thousands</u>	
	<u>Unaudited</u>	<u>Audited</u>
Cash and cash equivalents	\$ 2,464	\$ 547
Short-term deposit (Note 4)	8,083	9,443

Account receivable	318	306
Prepaid expenses and other current assets	86	148
Total current assets	<u>10,951</u>	<u>10,444</u>
Long-Term Assets:		
Prepaid expenses and other long-term assets	26	25
Property and Equipment, Net	358	297
Total Long-Term Assets	<u>384</u>	<u>322</u>
Total assets	<u>\$ 11,335</u>	<u>\$ 10,766</u>
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Current Liabilities:		
Accounts payables	\$ 275	\$ 345
Accrued expenses	204	152
Deferred grant income (Note 5)	5,250	-
Other accounts payable	411	367
Total current liabilities	<u>6,140</u>	<u>864</u>
Stockholders' Equity:		
Stock capital: (Note 6)	11	11
Common stock of \$0.00005 par value - Authorized: 100,000,000 shares at September 30, 2017 and December 31, 2016 respectively; Issued and outstanding: 18,842,726 and 18,687,987 shares at September 30, 2017 and December 31, 2016 respectively.		
Additional paid-in-capital	85,535	85,014
Accumulated deficit	(80,351)	(75,123)
Total stockholders' equity	<u>5,195</u>	<u>9,902</u>
Total liabilities and stockholders' equity	<u>\$ 11,335</u>	<u>\$ 10,766</u>

BRAINSTORM CELL THERAPEUTICS INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

U.S. dollars in thousands
(Except share data)

	<u>Nine months ended</u>		<u>Three months ended</u>	
	<u>September 30,</u>		<u>September 30,</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	<u>Unaudited</u>		<u>Unaudited</u>	
Operating expenses:				
Research and development, net	\$ 2,544	\$ 1,927	\$ 1,168	\$ 790
General and administrative	2,693	2,506	1,224	848
Operating loss	(5,237)	(4,433)	(2,392)	(1,638)
Financial expense (income), net	(9)	(75)	11	(32)
Net loss	<u>\$ (5,228)</u>	<u>\$ (4,358)</u>	<u>\$ (2,403)</u>	<u>\$ (1,606)</u>
Basic and diluted net profit (loss) per share	<u>\$ (0.28)</u>	<u>\$ (0.23)</u>	<u>\$ (0.13)</u>	<u>\$ (0.09)</u>

Weighted average number of shares outstanding used in computing basic and diluted net loss per share	<u>18,737,307</u>	<u>18,654,826</u>	<u>18,783,997</u>	<u>18,656,615</u>
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