

What is Chapter 11?

The phrase refers to the provisions of U.S. bankruptcy law that allows a company to continue day-to-day operations while it develops a plan to reorganize.

Does Chapter 11 mean Introgen is going out of business?

No. Under Chapter 11, Introgen will continue to conduct normal business operations, which includes paying our employees and any creditors that extend post-petition credit, goods or services at Introgen's request.

How long will Introgen be in Chapter 11?

Introgen intends to evaluate all strategic alternatives in order to maximize cash flow, including but not limited to, the sale of assets, partnering or other collaboration agreements, or potentially a merger. Accordingly, Introgen expects its bankruptcy to be expedient, but the exact duration of the reorganization process is difficult to predict.

Why did Introgen file for Chapter 11 protection?

In September 2008, the Company was notified by the United States Food and Drug Administration (FDA) that the Biologics License Application (BLA) it filed in the U.S. regarding ADVEXIN® therapy was rejected for review by the United States Food and Drug Administration (FDA). The Company is currently appealing this decision. Although ADVEXIN® is currently the subject of a Marketing Authorization Application (MAA) which has been accepted for review in Europe by the European Medicines Evaluation Agency (EMA), the FDA's rejection of the BLA dealt a serious blow to the Company's financial well-being.

In late 2008, Introgen began evaluating the strategic alternatives discussed above. Additionally, Introgen shifted its focus to establishing stronger revenue-generating manufacturing capabilities. Reorganizing under Chapter 11 provides Introgen with additional time and flexibility to evaluate and implement any strategic alternatives and focus on revenue-generating manufacturing.

How have Introgen's subsidiaries been affected by Chapter 11 filing?

Yes, Introgen Technical Services, Inc. and TMX Realty Corporation also filed for Chapter 11 relief. Introgen hopes that the three bankruptcies will be jointly administered.

What happens next in the Chapter 11 proceedings?

Introgen plans to seek the bankruptcy court's approval of the sale of certain assets through a sales procedures motion that will allow for competitive bidding. In general, Introgen anticipates that it will market its therapeutic assets separately from the contract manufacturing assets to one or more buyers. Additionally, Introgen intends to file a plan of reorganization and to seek approval of a disclosure statement that will allow Introgen to begin solicitation of votes for its plan.

What is the value of my stock?

There is no method to value stock in a chapter 11 debtor such as Introgen with any precision. Under the Bankruptcy Code, distributions to shareholders are possible once all creditors are paid in full. Thus, the value of any stock is dependent on obtaining more proceeds from transactions and operations than are necessary to pay the claims of creditors and the costs of sale, among other things. As stated in the company's 8-K on December 7, 2008, the Nasdaq Hearings Panel (the "Panel"), has de-listed Introgen's equity securities. As a result, there may be a very limited market, or no market, in which Introgen's securities are traded, and as a result, stockholders will likely find it difficult to sell their shares of Introgen's common stock.

As previously announced, on November 17, 2008, Introgen received a letter from the Panel indicating that shares of Introgen common stock will be transferred from the Nasdaq Global Market to the Nasdaq Capital Market, and that such listing would continue provided that Introgen can demonstrate compliance with all continued listing requirements of the Nasdaq Capital Market by March 3, 2009. This transfer was a result of Introgen's failure to comply with Marketplace Rule 4450(b)(1)(A), requiring a minimum \$50 million market value of listed securities for continued inclusion on the Nasdaq Global Market, nor with the alternative listing requirement to have at least \$10,000,000 of shareholders' equity as set forth in Marketplace Rule 4450(a). In addition, Introgen has previously announced that it has not been in compliance with the minimum bid price requirement of \$1.00 as set forth in Marketplace Rule 4450(a)(5). On December 4, 2008, Introgen notified the Panel that as a result of Introgen's bankruptcy filing, it expects that it will be unable to establish compliance with the continued listing requirements of the Nasdaq Capital Market on or before March 3, 2009.

What will happen to Advexin® now?

Introgen is working to market all of its therapeutic portfolio including Advexin® as well as to preserve the intellectual property components and regulatory data that underlie those assets. At this time, Introgen is exploring all options to maximize the value of its therapeutic portfolio within the constraints of available resources.

How do I file a claim?

Creditors may file a proof of claim with the Bankruptcy Court. This form will be sent to creditors by the Bankruptcy Court. In addition, this form can be downloaded from <http://www.uscourts.gov/bankform/formb10new.pdf>. Information about the Bankruptcy Court can be found at <http://www.txwb.uscourts.gov>.

What if I have additional questions?

Visit Introgen's restructuring site at <http://www.brownmccarroll.com/introgen> for copies of pleadings filed in the reorganization case.