



December 21, 2016

Vericel Corporation Announces Exercise of Underwriters' Over-Allotment Option and Closing of \$20 Million Offering of Common Stock

CAMBRIDGE, Mass., Dec. 21, 2016 (GLOBE NEWSWIRE) -- Vericel Corporation ([VCEL](#)), a leading developer of expanded autologous cell therapies for the treatment of patients with serious diseases and conditions, today announced that it has closed its previously announced underwritten public offering of 7,130,000 shares of its common stock at a price to the public of \$2.75 per share for gross proceeds of approximately \$20 million. The shares include 930,000 shares of common stock sold pursuant to the over-allotment option granted by the Company to the underwriters, which option was exercised in full. Vericel anticipates using the proceeds from the offering to support the commercialization of MACI, expend promotional efforts for Epicel, expand and optimize manufacturing and for other general corporate purposes.

Piper Jaffray & Co. acted as the sole manager for the offering.

The offering was made pursuant to a shelf registration statement on Form S-3 that was filed with the Securities Exchange Commission (SEC) on June 29, 2015 and declared effective by the SEC on July 15, 2015. The offering was made only by means of a written prospectus and prospectus supplement that form a part of the registration statement. A final prospectus supplement relating to and describing the terms of the offering has been filed with the SEC and is available on the SEC's website located at <http://www.sec.gov>. Copies of the final prospectus supplement and the accompanying prospectus relating to the offering may be obtained by contacting Piper Jaffray & Co., Attention: Prospectus Department, 800 Nicollet Mall, J12S03, Minneapolis, MN 55402, by telephone: (800) 747-3924 or by email: prospectus@pjc.com.

This press release does not constitute an offer to sell or the solicitation of an offer to buy any of these securities, nor will there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale is not permitted.

About Vericel Corporation

Vericel develops, manufactures, and markets expanded autologous cell therapies for the treatment of patients with serious diseases and conditions. The company currently markets two cell therapy products in the United States. Carticel® (autologous cultured chondrocytes) is an autologous chondrocyte implant for the treatment of cartilage defects in the knee in patients who have had an inadequate response to a prior arthroscopic or other surgical repair procedure. Epicel® (cultured epidermal autografts) is a permanent skin replacement for the treatment of patients with deep dermal or full thickness burns greater than or equal to 30% of total body surface area. Vericel also plans to market MACI® (autologous cultured chondrocytes on porcine collagen membrane), an autologous cellularized scaffold product indicated for the repair of symptomatic, single or multiple full-thickness cartilage defects of the knee with or without bone involvement in adults, which was recently approved by the FDA. Vericel is also developing ixmyelocel-T, an autologous multicellular therapy intended to treat advanced heart failure due to ischemic dilated cardiomyopathy.

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