

**CONTACT:**

GTC Biotherapeutics, Inc.

Thomas E. Newberry

Vice President, Corporate Communications and Government Relations

(508) 370-5374 or tom.newberry@gtc-bio.com

**GTC BIOTHERAPEUTICS ENTERS AGREEMENTS WITH LFB FOR FUNDING OF  
\$12.3 MILLION WITH AN OPTION FOR LFB TO FUND AN ADDITIONAL \$6.4  
MILLION**

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**GE CAPITAL TERM LOAN REFINANCED**

FRAMINGHAM, MA – June 18, 2009 -- GTC Biotherapeutics, Inc. (“GTC”, NASDAQ: GTCBD) has entered into agreements with LFB Biotechnologies, a wholly owned subsidiary of LFB S.A. (Laboratoire français du Fractionnement et des Biotechnologies S.A., Les Ulis, France) a current strategic shareholder in GTC, to provide a total of \$12.3 million of cash proceeds to GTC with an option to provide up to an additional \$6.4 million of cash proceeds. The financing consists of bridge debt and, subject to GTC shareholder approval, convertible preferred stock. GTC is receiving \$4 million of cash proceeds under a \$4.5 million secured convertible bridge note delivered upon signing, with an additional \$8.3 million of cash proceeds due upon the receipt of GTC shareholder approval and issuance of the convertible preferred stock. The bridge debt will automatically convert into convertible preferred stock upon shareholder approval. The convertible preferred stock will carry a 10% dividend over 5 years, and the total coupon amount of \$12.8 million will be fully funded by LFB Biotechnologies and placed into escrow at closing to secure the future dividends from this convertible preferred stock. The conversion price for 47% of the convertible preferred stock will be \$2.63 per share of

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common stock, representing a total of 4,562,738 shares, and for the remaining 53% it will be at \$2.63 per share or the market price at shareholder approval, whichever is lower, representing at least 5,133,079 shares of common stock.

“GTC has entered into this financing arrangement with LFB following a careful and extensive assessment of the alternative opportunities available to us in the capital markets,” stated Geoffrey F. Cox, Ph.D., GTC’s CEO and Chairman of the Board. “In today’s challenging capital markets a continuing committed strategic investor such as LFB is highly valuable to the future of GTC.”

“LFB shares GTC’s vision for the development of recombinant versions of plasma proteins and monoclonal antibodies, including biosimilars,” stated Christian Béchon, LFB’s Chairman & CEO. “GTC’s unique approved transgenic production technology enables us to jointly meet cost and production capability targets that are less competitive using other systems.”

As part of these agreements, LFB is also providing \$3.5 million of term debt for GTC to pay off the remaining net principal amount of its GE Capital loan. This \$3.5 million of new debt to LFB will be repaid on a 10-year amortization schedule at 10.8% interest with a balloon payment on January 1, 2012. LFB will hold first liens on all assets, including intellectual property, to secure this debt and its existing debt from GTC. The \$4.5 million of bridge debt funding will be on the same amortization schedule and with the same collateral as the new term debt.

After shareholder approval, GTC will have received \$12.3 million of cash proceeds. Upon conversion of this convertible note, LFB will have the option to use the additional \$12.8 million of escrowed interest to purchase additional shares of convertible preferred stock with the same conversion prices allocated in the same proportions as in the original investment. If the option is fully exercised, it would provide an additional \$6.4 million of cash funding to GTC on the same terms as the initial investment.

In total, if LFB Biotechnologies fully exercises its options, its new financial commitments to GTC will be up to \$22.1 million including the new loans, convertible preferred stock and options to purchase additional preferred stock.

Merriman Curhan Ford acted as financial advisors to GTC in this transaction.

#### About GTC Biotherapeutics

GTC Biotherapeutics develops, supplies and commercializes therapeutic proteins produced through transgenic animal technology. ATryn<sup>®</sup>, GTC's recombinant human antithrombin, has been approved for use in the United States and Europe. ATryn is the first and only product produced in transgenic animals to be approved for therapeutic use anywhere in the world. In addition to ATryn, GTC is developing a portfolio of recombinant human plasma proteins with known therapeutic properties. These proteins include recombinant forms of human coagulation factors VIIa and IX, which are being developed for the treatment of hemophilia. GTC is also developing a portfolio of follow-on biologic monoclonal antibodies and a CD20 antibody with

enhanced ADCC (antibody-dependent cell-mediated cytotoxicity). GTC's intellectual property includes a patent in the United States through 2021 for the production of any therapeutic protein in the milk of any transgenic mammal. GTC's transgenic production platform is particularly well suited to enabling cost effective development of proteins that are difficult to express in traditional recombinant production systems as well as proteins that are required in large volumes. Additional information is available on the GTC web site, <http://www.gtc-bio.com>.

### About LFB

LFB is a biopharmaceutical group that develops, manufactures and markets medicinal products for the treatment of serious and often rare diseases in several major therapeutic fields, namely Hemostasis, Immunology and Intensive Care. LFB Group is the leading manufacturer of plasma-derived medicinal products in France and 6th worldwide and is also among the leading European companies for the development of monoclonal antibodies and new-generation proteins based on biotechnologies. With its strong focus on research, the LFB Group is pursuing a growth strategy that seeks to extend its activities at international level and develop innovative therapies. In 2008, LFB reported total turnover of 352,4 million euros, an increase of 9% and invested 66,6 millions euros in product development. LFB markets its products in 20 countries round the world.

### IMPORTANT INFORMATION

GTC intends to file a proxy statement and other relevant documents with the Securities and Exchange Commission (the "SEC") in connection with seeking the necessary shareholder approvals to complete the financing discussed above. GTC shareholders should read the proxy

statement and other relevant documents when they become available because they will contain important information about the financing and the related proposals. The proxy statement, any amendments or supplements to the proxy statement, and other relevant documents filed by GTC with the SEC will be available free of charge at the SEC's website, [www.sec.gov](http://www.sec.gov), and at the GTC's website, [www.gtc-bio.com](http://www.gtc-bio.com). Copies of these documents will also be available free of charge by submitting a written request to GTC Biotherapeutics, Inc., 175 Crossing Boulevard, Framingham, MA 01702, ATTN: Investor Relations. GTC, its directors and certain of its executive officers may be deemed participants in the solicitation of proxies from GTC's shareholders with respect to the proposals related to the financing. Information about GTC's directors and executive officers and their respective interests in the financing will be set forth in the proxy statement that GTC will file with the SEC in connection with seeking the necessary shareholder approvals to complete the financing. Additional information regarding GTC's directors and executive officers is also included in GTC's definitive proxy statement for its 2009 annual meeting, which was filed with the SEC on April 23, 2009, and is available by the means described above.

#### Forward-Looking Statement

This press release contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995, including without limitation the prospects for shareholder approval, conversion of the preferred stock, and the potential for additional convertible preferred stock investment by LFB through exercise of the option it will obtain upon shareholder approval and closing of the first issuance of convertible preferred stock. Such forward-looking statements

are subject to a number of risks, uncertainties and other factors that could cause actual results to differ materially from future results expressed or implied by such statements. Factors that may cause such differences include, but are not limited to, the risks and uncertainties discussed in GTC's most recent Annual Report on Form 10-K and its other periodic reports filed with the Securities and Exchange Commission, including the risks and uncertainties associated with dependence upon approval of the transactions by shareholders and the actions regulatory agencies. GTC cautions investors not to place undue reliance on the forward-looking statements contained in this release. These statements speak only as of the date of this document, and GTC undertakes no obligation to update or revise the statements, except as may be required by law.