

**SANGAMO BIOSCIENCES CEO PROVIDES CORPORATE UPDATE AT
JP MORGAN H&Q HEALTHCARE CONFERENCE**

San Francisco, California – January 9, 2001 – Sangamo BioSciences, Inc. (Nasdaq: SGMO) today reported that its president and chief executive officer, Edward Lanphier, presented a corporate update at the nineteenth annual JP Morgan H&Q Healthcare Conference. In his remarks Lanphier briefly reviewed the company's 2000 accomplishments and its 2001 objectives.

The 2000 accomplishments included:

- In January, Sangamo established its first major therapeutics agreement with Edwards Lifesciences Corporation in the area of cardiovascular disease. As a result, Sangamo received \$13.5 million during 2000. In the course of the year Sangamo and its collaborators made significant progress toward the development of a ZFP-based therapeutic for the treatment of heart disease.
- In March, Sangamo hired Alan Wolffe, Ph.D. for the newly created position of chief scientific officer. Dr. Wolffe, who joined the company from the National Institutes of Health, is an internationally recognized expert in the area of chromosomal architecture (structure) and its effect on gene regulation. In addition, 28 scientists and support staff were added, increasing the total number of employees to 64 in 2000.
- On April 6, the company completed its initial public offering raising \$52.5 millions substantially strengthening its balance sheet. Subsequently, Sangamo reported cash, cash equivalents and investments of \$66 million at September 30, 2000.
- In the course of the year, six new Universal GeneTools™ agreements were signed, bringing the total number of agreements with pharmaceutical and biotechnology companies to 22. Those executed in 2000 included: Proctor & Gamble; Bristol-Myers Squibb; Johnson & Johnson; Merck & Co.; Rosetta Inpharmatics; and Exelixis / Artemis Pharmaceuticals.
- Fifteen new U.S. patent applications were filed, bringing Sangamo's total of internally generated patent applications to 26. This complements the 9 in-licensed U.S. patents and patent applications pending.
- In the fall, *The Journal of Biological Chemistry* published an article by Sangamo scientists describing the company's approach to targeted gene regulation. Specifically, the article describes the use of Sangamo's proprietary zinc finger DNA binding proteins (ZFPs) to activate the expression of the therapeutically important protein erythropoietin (EPO).
- Two new board members were added – William Rutter, Ph.D., a co-founder of Chiron Corporation, and Jon Jacoby, a senior executive with Stephens, Inc.

Financial results for the full year and fourth quarter 2000 will be announced on February 1, 2001 after the close of the market.

In regard to future performance, Lanphier presented some of the company's 2001 objectives. In 2001, Sangamo intends to:

- Expand existing Universal GeneTools collaborations, and establish five new Universal GeneTools agreements.
- Announce two new ZFP-Therapeutics™ collaborations.

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- In the cardiovascular program, announce preclinical results in a disease model.
- Continue internal development of ZFP-Therapeutics in cancer and infectious diseases.
- Announce one strategic collaboration in plant agriculture.
- Publish scientific progress in peer-reviewed journals.

About Sangamo

Sangamo is focused on the research and development of novel transcription factors for the regulation of gene expression. Sangamo's Universal Gene Recognition™ technology enables the engineering of transcription factors known as zinc finger DNA binding proteins, or ZFPs. By engineering ZFPs so that they can recognize a specific gene, Sangamo has created ZFP transcription factors that can control gene expression and, consequently, cell function. The company intends to establish Universal Gene Recognition as a widely used technology for commercial applications in pharmaceutical discovery, human therapeutics, clinical diagnostics, agriculture and industrial biotechnology. Over twenty leading pharmaceutical and biotechnology companies have utilized ZFPs. In addition, Sangamo has a strategic alliance with Edwards Lifesciences Corporation to develop novel therapeutics for the treatment of cardiovascular disease. For more information about Sangamo, visit the company's web site at www.sangamo.com.

This press release contains forward-looking information within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, and is subject to the safe harbors created by those sections. Those forward-looking statements include statements related to the ability of Sangamo BioSciences, Inc. to continue to meet marketing, technology, and customer demands as it relates to its products within the gene regulation market. Actual results may differ materially due to a number of factors, including numerous technological, operational and financial challenges associated with the regulation of genes. The matters discussed in this press release also involve risks and uncertainties concerning Sangamo's products and services described in Sangamo's filing on Form S-1 with the Securities and Exchange Commission (SEC). In particular, see the risk factors described in the company's Prospectus on Form S-1 and its most recent 10-Q. Sangamo assumes no obligation to update the forward-looking information contained in this press release.

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