

**CELL POPULATIONS HAVING IMMUNOREGULATORY ACTIVITY, METHOD FOR
ISOLATION AND USES**

ABSTRACT

The present invention provides a population of connective tissue derived cells that respond to interferon-gamma (IFN- γ) by expressing indolamine-2,3-dioxygenase (IDO) for use in preventing, treating or ameliorating one or more symptoms associated with disorders in which modulation of a subject's immune system is beneficial, including, but not limited to, autoimmune diseases, inflammatory disorders, and immunologically mediated diseases including rejection of transplanted organs and tissues.

[Figure No. 5]