



## **Living Cell Technologies Limited Company Announcement**

### **LCT Half Yearly Report period ended 31 December 2011**

**28 February 2012: Sydney, Australia & Auckland, New Zealand. Living Cell Technologies Limited (ASX: LCT; OTCQX: LVCLY),** today announced the half yearly report for the six months ended 31 December 2011. The report is attached.

The consolidated operating profit after income tax for the period 1 July to 31 December 2012 was \$8.1 million (2010 loss \$4.3m). This turnaround is primarily due to an \$11.2 million gain on sale of DIABECCELL<sup>®</sup> intellectual property to Diatranz Otsuka Limited (DOL), a 50% owned company, and \$0.9 million of services fees charged to DOL from 1 November.

During the six months ended 31 December 2011 the company implanted 4 patients in Argentina with DIABECCELL, continued the primate study of NTCELL for the treatment of Parkinson's disease and provided services to DOL. Services fees were \$0.9m (2010: \$0.2m) and grant income was \$0.4m (2010: \$0.8m). Cost of services was \$0.8 m (2010: \$0.0m), research and development costs were \$1.8m in the period (2010: \$2.8m), for the supply of DIABECCELL for the clinical trial in Argentina and preclinical studies of NTCELL. A foreign exchange loss of \$0.1m was reported compared to a loss of \$0.6m last year.

As at 31 December 2011 net assets were \$15.0m compared to \$4.2m at 31 December 2010 and \$6.8m as at 30 June 2011. Cash and cash equivalents at 31 December 2011 decreased to \$2.5m (30 June 2011 \$4.5m).

On 1 November 2011 the company settled the formation of a 50/50 company Diatranz Otsuka Limited with Otsuka Pharmaceutical Factory, Inc. (OPF), to accelerate the commercialisation of DIABECCELL. LCT sold DIABECCELL assets to DOL for \$25m of shares and OPF invested \$25m of cash in DOL. LCT provides research and development and administrative services to DOL at commercial rates and retains access to the facilities and designated pathogen free pigs for products other than diabetes.

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**For further information:** [www.lctglobal.com](http://www.lctglobal.com)

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## **About Living Cell Technologies - [www.lctglobal.com](http://www.lctglobal.com)**

Living Cell Technologies (LCT) is developing cell-based products to treat life threatening human diseases. The Company holds 50% of Diatranz Otsuka Limited which owns a biocertified pig herd that it uses as a source of cells and DIABECCELL® which designed to help normalise the lives of people with unstable Type 1 diabetes, especially those suffering from life-threatening episodes of unaware hypoglycaemia (low blood sugar), a dangerous and potentially fatal diabetes complication. Using breakthrough proprietary micro-encapsulation technology, IMMUPEL™, which enables implantation of cell-based therapeutics without immunosuppression, LCT is developing NTCELL, a choroid plexus cell product which is currently in preclinical development to treat neurodegenerative diseases such as Parkinson's disease, Huntington's disease, stroke, and hearing loss. LCT also offers medical-grade porcine-derived products for the repair and replacement of damaged tissues, as well as for research and other purposes.

### ***LCT Disclaimer***

*This document contains certain forward-looking statements, relating to LCT's business, which can be identified by the use of forward-looking terminology such as "promising," "plans," "anticipated," "will," "project," "believe," "forecast," "expected," "estimated," "targeting," "aiming," "set to," "potential," "seeking to," "goal," "could provide," "intends," "is being developed," "could be," "on track," or similar expressions, or by express or implied discussions regarding potential filings or marketing approvals, or potential future sales of product candidates. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. There can be no assurance that any existing or future regulatory filings will satisfy the FDA's and other health authorities' requirements regarding any one or more product candidates nor can there be any assurance that such product candidates will be approved by any health authorities for sale in any market or that they will reach any particular level of sales. In particular, management's expectations regarding the approval and commercialization of the product candidates could be affected by, among other things, unexpected clinical trial results, including additional analysis of existing clinical data, and new clinical data; unexpected regulatory actions or delays, or government regulation generally; our ability to obtain or maintain patent or other proprietary intellectual property protection; competition in general; government, industry, and general public pricing pressures; and additional factors that involve significant risks and uncertainties about our products, product candidates, financial results and business prospects. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated or expected. LCT is providing this information and does not assume any obligation to update any forward-looking statements contained in this document as a result of new information, future events or developments or otherwise.*