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## ASX ANNOUNCEMENT

30 January 2013

### Appendix 4C Quarterly Cash Flow Report 31 December 2012

**Sydney, Australia & Auckland, New Zealand** – Living Cell Technologies Limited announced today the quarterly cash flow report for the quarter ended 31 December 2012. The Appendix 4C is attached. The cash balance at the end of the quarter was \$2,354,000 compared to \$2,942,000 at 30 September 2012. Net operating cash flow in the quarter was (\$586,000) compared to (\$232,000) last quarter. Receipts from customers were \$1,767,000 reflecting the services provided to DOL (last quarter \$1,658,000). Operating payments were \$2,384,000 compared to \$1,920,000 last quarter. They include corporate costs, payments for the services provided to DOL for the development of DIABECCELL<sup>®</sup>, costs of the NTCELL clinical trial application and continuing preparation for the Good Manufacturing Practice manufacture of NTCELL for the clinical trial in the first half of 2013.

Going forward, the cost of developing NTCELL<sup>®</sup> for the treatment of Parkinson's disease will be fully funded by Otsuka Pharmaceutical Factory, Inc. (OPF) under the co-development agreement announced on 17 December, 2012. This is estimated to reduce operational cash flows by up to \$2.1m over the coming 18 months.

Capital expenditure was \$2,000 in the quarter, compared to \$13,000 last quarter.

Dr Andrea Grant, Chief Executive Officer said "With the next stage of research and clinical development of both our lead products for type 1 diabetes and Parkinson's fully funded by a global pharmaceutical partner, we have a solid cash position heading into 2013."

– Ends –

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

Page 1 of 7 pages

<p><b>At LCT:</b> Dr Andrea Grant Managing Director Tel: +64 9 270 7941 Mobile: +64 21 078 5421 <a href="mailto:agrant@lctglobal.com">agrant@lctglobal.com</a></p> <p>John Cowan Head of Finance &amp; Administration Tel: +64 9 276 2690 Mobile: +64 21 469000 <a href="mailto:jcowan@lctglobal.com">jcowan@lctglobal.com</a></p>	<p><b>Media enquiries:</b> Sally Raudon Botica Butler Raudon Partners Tel: +64 9 303 3862 Mobile: +64 21 402 502 <a href="mailto:sallyr@botica.co.nz">sallyr@botica.co.nz</a></p> <p>Living Cell Technologies Limited c/o Australian Company Secretaries Pty Ltd Level 3, 70 Pitt Street Sydney, NSW 2000 AUSTRALIA</p>
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## About Living Cell Technologies

Living Cell Technologies (LCT) is a pioneer and recognised world leader in cell transplant therapeutics. It aims to improve the wellbeing of people with serious diseases by discovering, developing and commercialising breakthrough treatments that use the regenerative healing properties of naturally occurring cells.

In 2011, LCT formed a partnership with Otsuka Pharmaceutical Factory Inc (OPF) establishing the joint venture Diatranz Otsuka Limited (NZ). LCT transferred its most advanced therapeutic candidate DIABECCELL<sup>®</sup> into the joint venture, while OPF transferred \$25m to fund the final phase of development of DIABECCELL through to market approval.

DIABECCELL is in Phase IIb clinical trials in Argentina and is indicated for the treatment of people with type 1 diabetes, especially those suffering from life threatening episodes of unaware hypoglycaemia. This is when a person's blood glucose falls to dangerously low levels without the person having any sign or symptom that this is happening. This can lead to sudden unconsciousness and loss of life, especially if the person is alone and does not receive immediate assistance to restore their glucose levels.

LCT's second therapeutic candidate is NTCELL<sup>®</sup>, a cell type taken from the brain which has the ability to protect, repair and regenerate damage tissues. In pre-clinical studies NTCELL has demonstrated the ability to regenerate damaged tissue and restore function in animal models of Parkinson's disease, stroke, Huntington's disease and hearing loss as well as acting generally to heal chronic wounds..

In 2012, LCT and OPF agreed to co-develop NTCELL as a treatment for Parkinson's with OPF fully funding the Phase I trials in New Zealand.

For more information please visit [www.lctglobal.com](http://www.lctglobal.com)

**Note to editors:** All values noted are in Australian dollars unless stated otherwise.

## 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.*

# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

Living Cell Technologies Limited

ABN

14 104 028 042

Quarter ended ("current quarter")

31 December 2012

### Consolidated statement of cash flows current

Cash flows related to operating activities	Current quarter \$A'000	Year to date (...6... months) \$A'000
1.1 Receipts from customers	1,767	3,425
1.2 Payments for (a) staff costs	(296)	(579)
(b) advertising and marketing	(26)	(43)
(c) research and development	(1,818)	(3,437)
(d) leased assets	-	-
(e) other working capital	(244)	(244)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	31	61
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (government grants received)	-	-
<b>Net operating cash flows</b>	<b>(586)</b>	<b>(817)</b>

+ See chapter 19 for defined terms.

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

	Current quarter \$A'000	Year to date (...6...months) \$A'000
1.8 Net operating cash flows (carried forward)	<b>(586)</b>	<b>(817)</b>
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(2)	(15)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>(2)</b>	<b>(15)</b>
<b>1.14 Total operating and investing cash flows</b>	<b>(588)</b>	<b>(832)</b>
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.	-	-
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	-
<b>Net financing cash flows</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash held</b>	<b>(588)</b>	<b>(832)</b>
1.21 Cash at beginning of quarter/year to date	2,942	3,170
1.22 Exchange rate adjustments to item 1.20	-	16
1.23 <b>Cash at end of quarter</b>	<b>2,354</b>	<b>2,354</b>

+ See chapter 19 for defined terms.

**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	122
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Salaries & fees paid to directors for the quarter

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

NIL

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

NIL

**Financing facilities available**

*Add notes as necessary for an understanding of the position.*

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

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**Appendix 4C**  
**Quarterly report for entities**  
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**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	539	599
4.2 Deposits at call	1,815	2,343
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.23)	2,354	2,942

**Acquisitions and disposals of business entities**

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity		
5.2 Place of incorporation or registration		
5.3 Consideration for acquisition or disposal		
5.4 Total net assets		
5.5 Nature of business		

**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does /does not\* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: ..... Date: .....  
(Director/Company secretary)

Print name: .....

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## **Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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