Living Cell Technologies Limited

CAN: 104 028 042
ASX: LCT
OTCQX: LVCLY

ASX ANNOUNCEMENT

Half yearly report ended 31 December 2015

26 February 2016 – Sydney, Australia & Auckland, New Zealand – Living Cell Technologies Limited today announced the half yearly report for the six months ended 31 December 2015. The report is attached.

The consolidated operating loss after income tax for the period 1 July to 31 December 2015 was $1.4 million (2014 loss $2.4 m). The main reason for the reduced loss is that the joint venture Diatranz Otsuka Limited (DOL) has now been equity accounted to zero so no further losses are reported in the statement of profit or loss. The share of joint venture loss for the 6 months was $0.07m compared to $1.3m in the previous period. During the period the company secured the supply and manufacture of NTCELL® and prepared for the planned Phase IIb clinical trial of NTCELL for the treatment of Parkinson's disease following the successful outcome of the Phase I/IIa clinical trial published in June.

Services fees received from DOL reduced substantially as each entity became more independent, $0.03m (2014: $0.5m) whilst cost of services was $0.025m (2014: $0.5m). Grants from Callaghan Innovation were $0.2m (2014: $0.1m)

As at 31 December 2015 net assets were $3.7m compared to $10.5m at 31 December 2014 and $5.1m as at 30 June 2015. Cash and cash equivalents at 31 December 2015 decreased to $3.6m (30 June 2015 $5.1m). This decrease is primarily due to normal operations and payment of two instalments of the amount due to the joint venture for the purchase of pigs and plant and equipment and a term deposit to secure a lease bond.

– Ends –

For further information: www.lctglobal.com

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About Living Cell Technologies

Living Cell Technologies Limited (LCT) is an Australasian biotechnology company improving the wellbeing of people with serious diseases worldwide by discovering, developing and commercialising regenerative treatments which restore function using naturally occurring cells.

LCT's lead product NTCELL® is an alginate coated capsule containing clusters of neonatal porcine choroid plexus cells. After transplantation NTCELL functions as a biological factory producing factors to promote new central nervous system growth and repair disease induced nerve degeneration.

The Phase I/IIa NTCELL clinical trial in New Zealand for the treatment of Parkinson's disease met the primary endpoint of safety and showed encouraging clinical efficacy improvements. Results from this trial will be used to design a larger Phase IIb trial to evaluate its potential as a disease-modifying treatment for patients with Parkinson's disease. It has the potential to be used in a number of other central nervous system indications such as Huntington's, Alzheimer's and motor neurone diseases.

LCT's proprietary encapsulation technology, IMMUPEL™, allows cell therapies to be used without the need for co-treatment with drugs that suppress the immune system.

LCT holds a 50% interest in Diatranz Otsuka Limited which is developing a cell therapy for type 1 diabetes.

LCT is listed on the Australian (ASX: LCT) and US (OTCQX: LVCLY) stock exchanges. The company is incorporated in Australia, with its operations based in New Zealand.

For more information visit www.lctglobal.com or follow @lctglobal on Twitter

Forward-looking statements

This document may contain 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 commercialisation 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 materialise, 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.