**Living Cell Technologies Ltd**

## COMPANY ANNOUNCEMENT

# Living Cell Technologies Reports Interim Results Showing Sustained Benefit With DIABECELL® Implants for Insulin Dependent Diabetes

**February 11, 2009 – Sydney, Australia, Auckland, New Zealand– Living Cell Technologies Limited (ASX: LCT; OTCQX: LVCLY)** reports positive interim results from the long term follow-up of insulin dependent diabetes patients in the Phase I/IIa clinical trial of its lead product, DIABECELL®.

A total of seven patients have received DIABECELL® implants, five of whom have had two low dose (5,000 islet equivalents (IEQs) per kg body weight) implants at least six months apart. There have been no remarkable adverse events attributed to double implants. Two patients have received a single higher dose (10,000 IEQs/kg) with no safety concerns to date.

The results of 36 to 68 weeks follow-up from the first four patients showed that good blood glucose control was maintained as reflected by a reduction in glycated hemoglogin (% HbA1c) levels from a mean of 8% pre-enrolment to 6.8% at time of clinical review. The American Diabetes Association target for good blood glucose control is HbA1c below 7% and the normal is less than 6.2%. This control was attained despite a reduction of 10% - 38% in the required daily insulin dose.

It is too early to assess the second implant for the fifth patient. However, the patient's HbA1c improved markedly from 9.8% before enrolment to 7.2% accompanied with a small reduction in the average daily insulin dose of 6%.

LCT Medical Director, Professor Bob Elliott said, "The patients clearly benefited from the implants administered at the lowest dose. The second implant maintained this benefit. Remarkably none of the patients have had problems with clinically relevant episodes of low blood glucose. Most people with diabetes cannot attain this degree of blood glucose control shown by these patients without large swings of very low or high blood glucose levels that are often fatal."

Two more patients have received the higher dose of DIABECELL®. Patient six declined further follow-up at 20 weeks after the first implant when there was no change in glucose control or insulin dose. To improve consistency, LCT narrowed product quality release specifications for all subsequent implants. Patient seven has been followed up for only four weeks at which time HbA1c improved dramatically from 8.3% to 4.8% and daily insulin requirement dropped by 60%.

Professor Elliott further stated, "We can expect better outcomes with higher doses. The encapsulated cells offer not only an alternative but a physiological replacement therapy to provide new hope and improved lifestyles for people with diabetes."

Dr Paul Tan, LCT Chief Executive Officer, said, "The next three patients in Russia are scheduled to receive the 10,000 IEQ/kg dose by April this year before testing the top dose of 15,000 IEQs/kg. Steps to initiate a pivotal trial and a commercialization strategy in Russia have been taken."

DIABECELL® is LCT's encapsulated porcine insulin-producing cell product designed for the treatment of type 1 diabetes without the use of immunosuppressive drugs.

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**About Living Cell Technologies: www.lctglobal.com**

*Living Cell Technologies (LCT) is developing cell-based products to treat life threatening human diseases. The Company owns a biocertified pig herd that it uses as a source of cells for treating diabetes and neurological disorders. For patients with type 1 diabetes, the Company transplants microencapsulated islet cells so that near-normal blood glucose levels may be achieved without the need for administration of insulin or at significantly reduced levels. The company entered clinical trials for its diabetes product in 2007. For the treatment of Huntington's disease and other neurological disorders, the company transplants microencapsulated choroid plexus cells that deliver beneficial proteins and neurotrophic factors to the brain. LCT's technology enables healthy living cells to be injected into patients to replace or repair damaged tissue without requiring the use of immunosuppressive drugs to prevent rejection. LCT also offers medical-grade porcine-derived products for the repair and replacement of damaged tissues, as well as for research and other purposes.*