



Living Cell Technologies Limited Company Announcement

Settlement of \$A50 million JV to commercialise DIABECCELL

2 November 2011: Sydney, Australia & Auckland, New Zealand.

Living Cell Technologies Limited (ASX: LCT; OTCQX: LVCLY) is pleased to announce that settlement of the transactions relating to the 50/50 joint venture company Diatranz Otsuka Limited ("DOL") with Otsuka Pharmaceutical Factory, Inc. ("Otsuka") have been successfully completed.

Otsuka has deposited \$A25 million into the bank account of DOL while LCT has transferred the assets associated with DIABECCELL[®], which have been valued at \$A25 million. These assets include patents, trademarks, manufacturing and R&D facilities as well as the special herd of biocertified designated pathogen-free pigs. LCT has also granted a royalty free licence to DOL to use its encapsulation technology to treat diabetes.

As announced on October 19, 2011, LCT has a 50 per cent shareholding in DOL and will supply testing, R&D, management and administrative services to the joint venture at market rates based on DOL's requirements to further develop and commercialise DIABECCELL[®].

DOL has agreed to provide services to enable LCT to continue developing NTCELL, IMMUPEL[™] and its other products. Further DOL has agreed to ensure that the supply of pig cells to LCT continues.

LCT founder and Medical Director, Professor Bob Elliott, said, "I am delighted that the joint venture is underway to accelerate product refinement and registration of DIABECCELL. DIABECCELL could change the paradigm of how we treat diabetes and bring relief to the millions of sufferers of this terrible disease around the world."

LCT Chairman Mr Roy Austin added, "I am looking forward to working with Otsuka to further develop DIABECCELL towards commercialisation. The company will also focus on advancing our encapsulation technology IMMUPEL[™], which eliminates the requirement for immuno-suppressive drugs, and NTCELL, the cell therapy for Parkinson's and Huntington's disease, stroke and hearing loss."

– Ends –

For further information: www.lctglobal.com

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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 holds 50% of Diatranz Otsuka Limited which 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, microencapsulated islet cells are implanted 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 Parkinson'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 encapsulation services and medical-grade porcine-derived products for the repair and replacement of damaged tissues, as well as for research and other purposes.

About Otsuka Pharmaceutical Factory - www.otsukakj.jp/en/

Otsuka Pharmaceutical Factory, Inc., the first company in the group companies of Otsuka Holdings Co., Ltd. (TSE:4578), was established by Busaburo Otsuka in 1921. Originally, the company manufactured and distributed industrial and pharmaceutical chemicals. It began manufacturing intravenous solutions such as large volume parenterals in 1946. Since that time, Otsuka Pharmaceutical Factory has extended its operations into a wide variety of areas such as the development of new drugs, innovative packaging, and intravenous delivery systems. It has over 2000 employees and is headquartered in Naruto City, Tokushima, Japan.

LCT Disclaimer

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