



PARKWAYHEALTH AND MESOBLAST TO PROVIDE CUTTING EDGE TREATMENT USING PROPRIETARY ADULT STEM CELLS

- ParkwayHealth and Mesoblast announce collaborative clinical program to facilitate commercialisation of Mesoblast's proprietary stem cell products within the Parkway hospital network across Asia
- Parkway's Independent Ethics Committee approves first Singapore registry study of Mesoblast's "off-the-shelf" adult stem cells to prevent or treat knee osteoarthritis
- Further registry trials planned for additional clinical indications using Mesoblast's cells

Singapore and Melbourne, Australia; 16 February 2009: One of Singapore's leading private healthcare providers, Parkway Group Healthcare Pte Ltd, a subsidiary of Parkway Holdings Limited, and Australian regenerative medicine company, Mesoblast Limited, today announced a collaborative program to facilitate commercialisation of Mesoblast's proprietary "off-the-shelf" stem cell products within the extensive ParkwayHealth hospital network in Asia.

The Parkway Independent Ethics Committee has approved Mesoblast's first registry trial evaluating the safety and effectiveness of a single injection into the knee joint of RepliCart™, its adult stem cell product for patients with knee osteoarthritis. The trial will be conducted within Parkway's Clinical Centre of Excellence in Singapore.

Osteoarthritis is the most common musculoskeletal disorder and the leading cause of joint pain and disability among the elderly. A degenerative disease characterised by the loss of cartilage, current therapies attempt to alleviate painful symptoms but are unable to preserve the cartilage lining the joint. Moreover, many of the currently used pharmaceutical therapies are associated with severe side effects and can even cause death. Joint replacement is often the only option for restoring function.

Dr Lim Cheok Peng, Managing Director, Group President and Chief Executive Officer of Parkway Holdings Limited, said the registry study is the initial collaborative step in a partnership with Mesoblast to provide credible adult stem cell therapies to patients at the Group's hospitals in Singapore and across Asia.



"We believe that Mesoblast's proprietary adult stem cell technology has real potential to provide novel therapies for patients with unmet clinical needs," Dr Lim said. "It is a new medical paradigm: regenerating and rebuilding damaged tissues to address the underlying problem. This is a key milestone in ParkwayHealth's vision to be the global leader in value-based integrated healthcare," Dr Lim added.

Professor Silviu Itescu, Executive Director of Mesoblast Limited, said the Company was delighted to collaborate with ParkwayHealth. "The experienced and rigorous clinical research environment at ParkwayHealth will ensure a safe and highly regulated use of Mesoblast's products within a very formal framework," Professor

Itescu said. "We intend to evaluate the potential of our unique adult stem cell technology platform in various additional indications including spinal fusion, long bone fractures and congestive heart failure."

"We are confident that this collaboration will generate valuable clinical results for use in various regulatory jurisdictions, and facilitate Mesoblast's objectives of product commercialisation in Asia," added Professor Itescu.

About Parkway Holdings Limited

Parkway Holdings Limited (SGX:Parkway) owns Parkway Group Healthcare Pte Ltd and Parkway Hospitals Singapore Pte Ltd which operates East Shore Hospital, Gleneagles Hospital, Mount Elizabeth Hospital, Parkway Cancer Centre and ParkwayHealth Day Surgery and Medical Centre. The Company also owns Parkway Shenton Pte Ltd, a major provider of primary healthcare services; Medi-Rad Associates Ltd, a leading radiology services provider; Parkway Laboratory Services Ltd, a major provider of laboratory services, and also operates 48 International Patient Assistance Centres (IPAC) across the globe.

About ParkwayHealth

ParkwayHealth is a leading healthcare group based in Singapore, operating 15 hospitals with more than 3,600 beds in Asia, as well as patient assistance centres throughout the world. It has an extensive network across Asia, Europe, North America and the Middle East with operations in Bangladesh, Brunei, Canada, China, Hong Kong, India, Indonesia, Malaysia, Myanmar, Pakistan, Philippines, Russia, Sri Lanka, Thailand, United Arab Emirates, United Kingdom and Vietnam. With a team of more than 1,300 accredited specialists covering 40 different specialties, such as orthopaedics, cardiology, haematology and neurology. ParkwayHealth is committed to its vision to be a global leader in value-based integrated care. For more information, please visit the website at www.parkwayhealth.com and www.parkwayholdings.com



About Mesoblast

Mesoblast Limited (ASX:MSB; USOTC:MBLTY) is committed to the development of novel treatments for orthopaedic conditions, including the rapid commercialisation of a unique adult stem cell technology aimed at the regeneration and repair of bone and cartilage. Our focus is to progress through clinical trials and international regulatory processes necessary to commercialise the technology in as short a timeframe as possible. Mesoblast has the worldwide exclusive rights for a series of patents and technologies developed over more than 10 years relating to the identification, extraction and culture of adult Mesenchymal Precursor Cells (MPCs). The Company has acquired 39% of Angioblast Systems Inc., an American company developing the platform MPC technology for the treatment of cardiac, vascular and eye diseases including repair and regeneration of blood vessels and heart muscle. Mesoblast and Angioblast are jointly funding and progressing the core technology. Mesoblast's strategy is to maximise shareholder value through both corporate partnerships and the rapid and successful completion of clinical milestones. www.mesoblast.com

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