

Mesoblast Limited
ABN: 68-109-431-870
and Controlled Entities (Mesoblast Group)

HALF-YEAR INFORMATION
FOR THE SIX MONTHS ENDED 31 DECEMBER 2013
PROVIDED TO THE ASX UNDER LISTING RULE 4.2A

This half-year financial report is to be read in conjunction with the financial report for the year ended 30 June 2013.

Appendix 4D

Half-Year Report for the six months to 31 December 2013

Name of entity

MESOBLAST LIMITED ABN: 68 109 431 870
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1. Reporting period

Report for the half-year ended	31 December 2013
Previous corresponding period is the financial year ended and half-year ended	30 June 2013 31 December 2012

2. Results for announcement to the market

	Up/down	% change		Amount reported for the half-year ended 31 December 2013 \$000
Revenues from ordinary activities (<i>item 2.1</i>)	Up	41%	to	20,774
Loss from ordinary activities after tax attributable to members (<i>item 2.2</i>)	Up*	11%	to	30,859
Net loss for the period attributable to members (<i>item 2.3</i>)	Up*	11%	to	30,859
<i>*increase in loss</i>				
There are no dividends being proposed or declared for the period (<i>item 2.4</i>)				
Date for determining entitlements to the dividends: N/A (<i>item 2.5</i>)				
Brief explanation of any of the figures reported above necessary to enable the figures to be understood (<i>item 2.6</i>):				
Please refer to the Directors' Report section of the Half-Year Report (31 December 2013) and the accompanying press release.				

3. Net tangible assets per security (*item 3*)

	31 December 2013	31 December 2012
Net tangible asset backing per ordinary security	25.02 cents	33.36 cents

A large proportion of the company's assets are intangible in nature, consisting of intellectual property and goodwill relating to the acquisition of Mesoblast, Inc and Culture-expanded Mesenchymal Stem Cells (ceMSCs). These assets are excluded from the calculation of net tangible assets per security. A deferred tax liability of \$166,951k has also been excluded from the calculation to the extent it relates to future tax obligations as a result of the intellectual property assets deriving revenue at some point in the future. This deferred tax liability has arisen as a direct result of the intellectual property being acquired.

4. Half-Year Financial Statements and Directors' Report

The financial information provided in the Appendix 4D should be read in conjunction with the half-year financial statements and Directors' report (attached), which has been prepared in accordance with Australian Accounting Standards.

5. Independent review of the financial report (*item 9*)

The financial report has been independently reviewed. The financial report is not subject to a qualified independent review statement. The independent audit review report is attached to the financial statements.