



**Living Cell Technologies Limited
Company Announcement**

LCT Half Yearly Report period ended 31 December 2012

27 February 2013: Sydney, Australia & Auckland, New Zealand. Living Cell Technologies Limited (ASX: LCT; OTCQX: LVCLY), today announced the half yearly report for the six months ended 31 December 2012. The report is attached.

The consolidated operating loss after income tax for the period 1 July to 31 December 2012 was \$0.3 million (2011 profit \$8.1m). The profit for the corresponding period included an \$11.1 million gain on sale of DIABECCELL[®] intellectual property to 50% owned joint venture company Diatranz Otsuka Limited (DOL) in November 2011. The operating profit after income tax includes an option fee of \$3m receivable under the 17 December 2012 agreement with Otsuka Pharmaceutical Factory for co-development of NTCELL[®] for the treatment of Parkinson's disease.

During the six months ended 31 December 2012 the company continued to provide research and development and administrative services to DOL. Services fees received from DOL were \$3.3m (2011: \$0.9m) whilst cost of services was \$3.0m (2011: \$0.8m). The company also continued to develop NTCELL for the Phase I clinical trial of NTCELL in Parkinson's disease, with research and development costs of \$0.3m in the period (2011: \$1.8m). Going forward, the cost of developing NTCELL for the treatment of Parkinson's disease will be fully funded by Otsuka Pharmaceutical Factory, Inc. under the co-development agreement announced on 17 December, 2012.

The share of joint venture loss for the 6 months was \$2.3m compared to \$0.4m relating to 2 months of the previous period.

As at 31 December 2012 net assets were \$14.5m compared to \$15.0m at 31 December 2011 and \$14.4m as at 30 June 2012. Cash and cash equivalents at 31 December 2012 decreased to \$2.4m (30 June 2012 \$3.2m).

– Ends –

For further information: www.lctglobal.com

<p>At the company: Dr Andrea Grant Managing Director Tel: +64 9 270 7941 Mobile: +64 21 078 5421 agrants@lctglobal.com</p> <p>John Cowan Head of Finance & Administration Tel: +64 9 276 2690 Mobile: +64 21 469000 jcowan@lctglobal.com</p>	<p>Media enquiries: Sally Raudon Botica Butler Raudon Partners Tel: +64 9 303 3862 Mobile: +64 21 402 502 sallyr@botica.co.nz</p>
--	---

About Living Cell Technologies

Living Cell Technologies (LCT) is a pioneer and recognised world leader in cell transplant therapeutics. It aims to improve the wellbeing of people with serious diseases by discovering, developing and commercialising breakthrough treatments that use the regenerative healing properties of naturally occurring cells.

In 2011, LCT formed a partnership with Otsuka Pharmaceutical Factory Inc (OPF) establishing the joint venture Diatranz Otsuka Limited (NZ). LCT transferred its most advanced therapeutic candidate DIABECCELL[®] into the joint venture, while OPF transferred \$25m to fund the final phase of development of DIABECCELL through to market approval.

DIABECCELL is in Phase IIb clinical trials in Argentina and is indicated for the treatment of people with type 1 diabetes, especially those suffering from life threatening episodes of unaware hypoglycaemia. This is when a person's blood glucose falls to dangerously low levels without the person having any sign or symptom that this is happening. This can lead to sudden unconsciousness and loss of life, especially if the person is alone and does not receive immediate assistance to restore their glucose levels.

LCT's second therapeutic candidate is NTCELL[®], a cell type taken from the brain which has the ability to protect, repair and regenerate damage tissues. In pre-clinical studies NTCELL has demonstrated the ability to regenerate damaged tissue and restore function in animal models of Parkinson's disease, stroke, Huntington's disease and hearing loss as well as acting generally to heal chronic wounds.

In 2012, LCT and OPF agreed to co-develop NTCELL as a treatment for Parkinson's with OPF fully funding the Phase I trials in New Zealand.

For more information please visit www.lctglobal.com.

Note to editors: All values noted are in Australian dollars unless stated otherwise.

LCT disclaimer

This document contains 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 commercialization 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 materialize, 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.