

The leading
international family
stem cell bank



Financial Results 2010

22 March 2011

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Chief Executive Officer

www.cryo-save.com/group



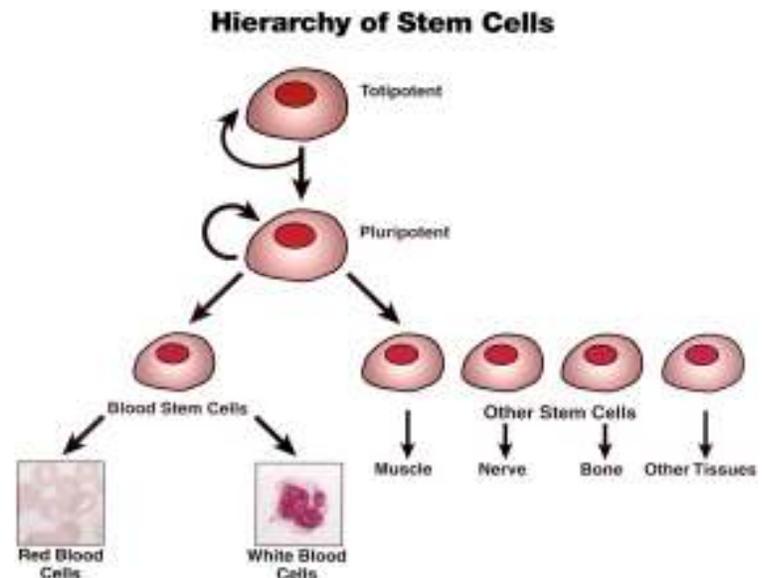
What we do and who we are

- The collecting and storing of stem cells taken at birth, or from adults, for potential use in medical therapies
- Stem cell are collected from umbilical cord blood and cord tissue, and adipose (fat) tissue
- Cryo-Save is **not** involved in processing and storage of embryonic stem cells
- Over 170,000 samples stored; ±50% market share in Europe (March 2011)
- Team of almost 300 people, including over 20 medical doctors and over 40 lab technicians
- Processing and storage facilities in Belgium, Germany, France (under validation), Dubai and India
- Operations in 40 countries (Europe, Asia & Africa)



What are stem cells?

- Unspecialized cells that can replicate and differentiate themselves into a wide range of specialized cell types
- Form the basis of different human tissues and organs
- Exist in two types:
 - Embryonic: derived from embryos that are 4–5 days old
 - Capacity for unlimited expansion
 - Differentiate into virtually all cell types
 - Significant ethical issues in use
 - Adult: derived from bone marrow, cord blood, cord tissue or adipose tissue
 - More limited in potential but
 - Do not have ethical concerns



Why store adult stem cells?

- The use of adult stem cells in different therapies is becoming increasingly important in advanced medical therapies
- Stem cell therapies available to the public have grown substantially since 2000
Currently stem cell therapy is common practice in 70 to 85 blood and blood related diseases
- Stem cell therapy has the potential to radically change the treatment of human disease → regenerative medicine
- Cord blood banking is an established technology (since 1990's in USA)
- Stem cells derived from umbilical cord offer important advantages:
 - Collection is quick, easy and non-invasive
 - There is no risk for mother or child
 - Stem cells collected at birth are in optimum condition
 - A once-in-a-lifetime opportunity to help secure your child's future health
- Stem cells obtained from adipose tissue:
 - A rich source of stem cell (500 times higher concentration than in bone marrow)
 - Readily available
 - Autologous, adult tissue
 - To be used in advanced medical therapies as well as in regenerative medicine or in plastic surgery

A once-in-a-lifetime opportunity to help secure your child's future health



How we do it

Cord blood and cord tissue

- Informing parents by obstetrician or midwife, supported by Cryo-Save website and customer service
- Parents agree procedure with midwife or obstetrician
- Parents receive sterile collection kit prior to birth
- Sample collected at birth
- Delivery to laboratory via courier within 48 hours

Adipose tissue

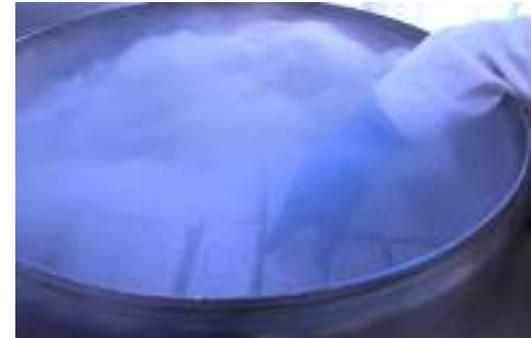
- Informing adults by medical specialist, supported by Cryo-Save website and customer service
- Collection by medical specialist
- Transport, process and cryopreservation by Cryo-Save



Our laboratory approach

Processing and storage

- Receipt of sample at processing and storage facility
- Tested for disease and bacterial contamination
- Samples stored in gas phase of liquid nitrogen
 - Ideal and safe freezing agent for human cells and tissues
- Samples are split into two halves for dual storage
- Cryo-Save's major differentiation and value proposition
 - Highly trained, experienced and dedicated team
 - Operates multiple storage facilities
 - Dual storage for each sample
 - Fully automated processing of umbilical cord blood



Strategy translated into successful 2010

- Combined service of cord blood and cord tissue storage well accepted by the market resulting in revenue and profit growth year over year
- New service Cryo-Lip® launched in May 2010
- 2010: Cryo-Save Group delivered on its strategic objectives:
 - geographic growth into new markets
 - growth by acquisition
 - development of new services
- Organic growth in some countries slowed down, due to the adverse economic climate, but was partly offset by volume growth in emerging markets in central and south eastern Europe and India.
- The Group strengthened or maintained its leading market position in all key markets
- Cryo-Save will maintain these strategic objectives into 2011



Financial highlights

- Revenue up 5% to €40.4 million (2009: €38.4 million)
- EBITA* up 63% to €5.8 million (2009: €3.6 million)
- Operating profit up 92% to €4.5 million (2009: €2.3 million)
- Profit before taxation up 117% to €3.9 million (2009: €1.8 million)
- Net profit up 89% to €2.6 million (2009: €1.4 million)
- Basic earnings per share 27.6 euro cents (2009: 14.6 euro cents)
- Net cash from operating activities €2.8 million (2009: € 4.8 million)
- Cash position of €6.0 million (31 December 2010)
- Stringent cost control resulting in increased operational leverage
- Dividend per share of €0.07 up 17% (2009: €0.06)

* EBITA is defined as Earnings before Interest, Taxation and Amortization of identified intangible assets

Reported Group financials

Summary Income Statement

Period ended 31 December	2010 €million	2009 €million	Note
Revenue	40.4	38.4	High uptake of the combined service
Gross profit	27.3	27.2	Increase of commission to agents, medical processing fees and costs related to processing materials
Gross profit margin	68%	71%	
Operating expenses excluding depreciation and amortization	20.0	22.6	Incremental costs for the start up of the French operation, additional costs for the launch of Cryo-Lip®, additional costs due to the increased number of processed cord tissues and due to strengthening the management of the subsidiaries, offset by cost savings.
Depreciation and amortization	2.8	2.3	
Operating profit	4.5	2.3	
Financial result	(0.6)	(0.5)	
Profit before taxation	3.9	1.8	
Taxation	(1.3)	(0.4)	
Profit after taxation	2.6	1.4	
Basic earnings per share (€cents)	27.6	14.6	

Group financials

Summary Balance Sheet

Period ended	31 December 2010 €million	31 December 2009 €million	Note
Non current assets	52.2	51.5	Investments (€2.3 million) in infrastructure, lab equipment and dual storage location
Current assets	18.4	17.3	Increase of current tax assets due to new EU VAT legislation
Total assets	70.6	68.8	
Total equity	46.8	43.8	Profit for the period minus dividend
Non-current liabilities	14.8	14.7	Additions to deferred revenue, decrease of deferred considerations
Current liabilities	9.0	10.3	
Total liabilities	23.8	25.0	
Total equity and liabilities	70.6	68.8	

Group financials

Summary Cash Flow Statement

Period ended 31 December	2010 €million	2009 €million	Note
Net cash from operations	5.0	6.7	New EU VAT legislation resulted in significant domestic VAT receivables
Net cash from operating activities	2.8	4.8	
Net cash used in investing activities	(3.7)	(5.2)	Investments in PPE, increase in shareholding Hungary, acquisition of TBCCBulgaria
Net cash from/(used in) financing activities	(0.6)	3.2	Sale & lease back ING (€4.3m) in 2009 Dividend (€0.5m)
Net increase/(decrease) in cash and cash equivalents	(1.5)	2.8	
Cash and cash equivalents at the end of the period	6.0	7.5	

Operational highlights 2010

- Strengthened market position and product range in key markets
- Over 38,000 samples stored in 2010:
 - 26,300 new cord blood samples and
 - 12,000 new cord tissue samples
- The total number of samples stored: over 170,000
 - cord blood samples over 150,000
 - cord tissue samples over 20,000
- Over 60% of new customers are opting for the combined service of cord blood and cord tissue storage, where it is available
- Successful introduction of Cryo-Lip® in Europe
- Acquisition of Tissue Bank Cryo Center Bulgaria AD, the leading Bulgarian private stem cell bank
- Sample released for a six year old Portuguese boy participating in an FDA approved clinical trial for the treatment of Cerebral Palsy at Duke University, USA
- 10 year anniversary of storing first samples



Markets

Europe

- Central and South Eastern Europe: continue to growth
- Decreasing volumes in some other European countries suffering from the impact of economic headwind, resulting in lower number of births
- Relative market share remained stable
- Strengthened position as leading international family stem cell bank, underpinned by the success of the combined storage of umbilical cord blood and cord tissue
- Continuation of marketing and sales approach through diagnostic centers and private clinics. Contracts with leading private insurers signed or renewed
- Launch of Cryo-Lip®: the collection, processing and storage of adult stem cells from adipose tissue.

Asia

- Main market is India, showing growth. Transforming from a Business to Consumer approach to a Business to Business approach

Africa

- Ongoing business



Sample released 2010

- Another cord blood sample was released in 2010 for a six year old Portuguese boy participating in an FDA approved clinical trial for Cerebral Palsy (CP) at Duke University in the US
- Cerebral Palsy is a form of brain damage causing physical disability and currently has no cure
- Experts at Duke's University are treating Cerebral Palsy patients with stem cells taken from their own stored cord blood
- Many parents have noticed significant improvements in their children with this condition following this treatment and other similar trials around the world hope to show conclusive evidence

Applied research and development

- European Commission has funded and launched the HYPERLAB project (February 2010):
 - Cryo-Save cooperates with 7 universities and research institutes
 - Three year project aims to develop new and improved culture methods, media, and protocols for stem cell cultivation and differentiation
 - Only cord blood bank in Europe to take part in these advanced projects – reflecting both our leading market position and our commitment to the development of stem cell research
- Involvement in several stem cell research and development projects:
 - Cell Therapy Research Institute, Lyon (France) to aid further improvement of our core processes
 - Prof. Stamm (Germany) for treatment of heart diseases
 - Prof. Surbeck (Switzerland) for treatment of Cerebral Palsy
 - Prof. Ramon (Belgium) for incontinence
- Founding member of ITERA (International Tissue Engineering Research Association) Life-Sciences Forum, an international forum of scientists specialising in regenerative medicine

Outlook

- Cryo-Save is well positioned to benefit from the expanding market for stem cell storage, driven by the increasing number and the successful use of stored samples in therapies, clinical studies and trials.
- Combined service of cord blood and cord tissue storage well accepted and sustainable
- New service Cryo-Lip® successfully launched and will contribute to revenue 2011
- Acquisition of Bulgarian and Serbian distributors will enhance results in 2011
- Continued stringent cost control, and cost savings measures where feasible
- Strong cash generation, no significant investments foreseen in existing business



Appendices

Additional background



Historical overview -1-

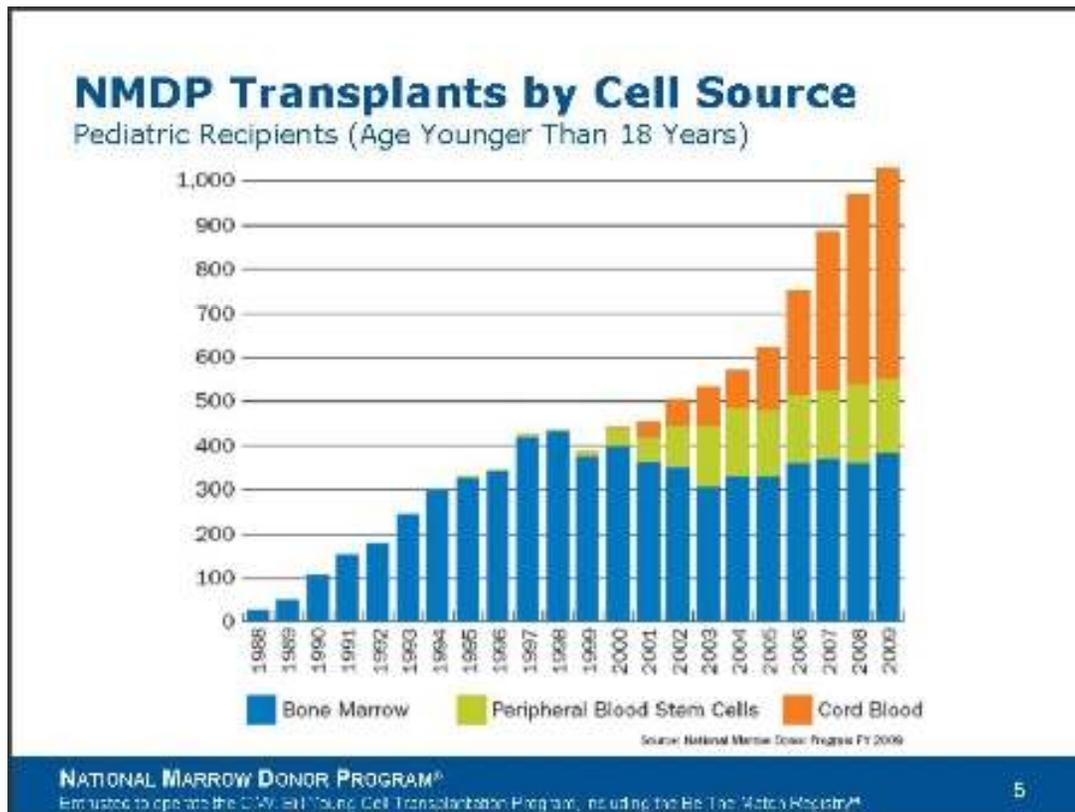
- The French oncologist Georges Mathé performed the first bone marrow transplant in 1959
 - on six Yugoslavian nuclear workers whose own marrow had been damaged by irradiation caused by a criticality accident at the Vinča Nuclear Institute.
- Stem cell transplantation was pioneered using bone-marrow-derived stem cells by a team at the Fred Hutchinson Cancer Research Center from the 1950s through the 1970s led by E. Donnall Thomas
 - his work was later recognized with a Nobel Prize in Physiology or Medicine]
- The first physician to perform a successful human bone marrow transplant on a disease other than cancer was Robert A. Good at the University of Minnesota in 1968.
- Finding a matching donor by searching the international registries takes time and often a match is not found.
- In the early 1980's it was discovered that umbilical cord blood (UCB) contained hematopoietic stem cells (HSCs) similar to those in bone marrow and that these cells could be collected, processed and cryopreserved
- The first successful UCB stem cell transplant was performed in France in 1988 for a boy with Fanconi's Anemia. The donor was his sister and her UCB was collected at birth and used in the transplantation. Today, the patient is healthy and cured of the condition
- Over 20 years of umbilical cord blood transplantations have demonstrated that UCB can be obtained with ease and with no risk to mother or child, can be successfully cryopreserved without loss of viability or functionality, allows for greater HLA mismatch without increase in graft-versus-host disease (GVHD), are the most enriched with primitive stem cells and is an effective treatment for numerous blood diseases
- To date, cord blood is the most frequently used source for pediatric application



Historical overview -2-

- To overcome cell dose limitation, research has been extremely active with regard to amplification of stem cells, double cord blood transplants, co-transfusion with other stem cells and the direct route of administering stem cells into the area where they are needed
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Cord Blood is most frequently used source of stem cells for pediatric patients in the US.



Childhood cancers are highly curable today – therapy includes stem cell transplant

First line treatment is chemotherapy, followed by stem cell transplant, if necessary

Ref: NMDP (www.marrows.org)

Historical overview -3-

- Emerging therapies and regenerative medicine are increasingly focusing on using an autologous source of stem cells to treat previously incurable diseases. As these emerging therapies progress to clinics, samples released from family cord blood banks for illnesses such as Cerebral Palsy, Type 1 Diabetes, traumatic brain injury and other neurological disorders are on the increase.
Having a banked and viable source of your own stem cells is a real advantage given the current rate of new discoveries and active clinical trials.
- An article published in Bone and Marrow Transplantation in 2008 by Nietfield et al, looking at data from 2001-2003, suggests that the lifetime probability of undergoing a HSCT in the US (both autologous and allogeneic) is as high as 1:200 and will continue to rise as the availability of donors and the applications of HSCT increase. NMDP (National Marrow Donor Program) predicts that there will be an increasing number of cord blood transplants worldwide, possibly as high as 10,000 per year by 2015.
- Regenerative medicine is seen as the next evolution of medical treatment, subdivided into:
Cellular Therapy: transplanting or transfusing cells directly into the body to repair, replace or regenerate damaged tissue and organs that were previously thought to be irreparable;
Tissue Engineering: regeneration of tissue and organs outside the body i.e. taking stem cells and growing tissue or organs in the laboratory or using the cells to coat or contribute to cellular transplantable material and then safely being transplanted back into the body
- Umbilical Cord tissue (UCT), one of the richest sources of mesenchymal stem cells (MSCs), is a source for regenerative medicine



Historical overview -4-

- Storing both UCB and UCT allows maximum recovery of both HSCs and MSCs for any therapeutic applications
- The following diseases are the most promising treatments currently being explored using MSCs: acute myocardial infarction and heart failure; auto-immune disorders including SLE, Crohn's, Type 1 Diabetes, Rheumatoid Arthritis; Type 2 Diabetes; co-transplantation in HSCT; orthopaedic applications (bone and cartilage repair); liver diseases; peripheral artery disease; stroke; spinal cord injury; multiple system atrophy; organ transplant
- Adipose Derived Stem Cells (ADSCs) obtained from the adipose (fat) tissue are also a rich source of MSCs for regenerative medicine. Furthermore, these MSCs are promising with regard to repair a wide range of tissue damages or defects, burns, radiolesions, ulcers and general surgery, and can be used by plastic surgeons for cosmetic applications including anti-aging

Cryo-Save best positioned to serve its clients and science

- Cryo-Save, the leading international family stem cell bank, offers collection, processing and cryogenic preservation of human adult stem cells from the three main sources:
 - hematopoietic stem cells obtained from the umbilical cord blood
 - mesenchymal stem cells obtained from the umbilical cord tissue
 - mesenchymal stem cells obtained from adipose tissue
- These are the most promising and suitable sources of stem cells for current applications and future regenerative medicine

***In offering these fully certified and verified services,
Cryo-Save is the adult stem cell bank of choice for now and the future***

