



## **Annual General Meeting of Shareholders**

**2012 Results**  
**2013 Q1 Highlights**

Zutphen, 15 May 2013

Arnoud van Tulder –Chief Executive Officer

**CRYO**  
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- Non-recurring costs in 2012 of €16.2 million:
  - Non-cash impairment of goodwill and other assets: €15.1 million
  - Termination of contracts with service providers and distributors: €0.7 million
  - Severance cost: €0.3 million
  - Other: €0.1 million

- Revenue €36.8 million (2011: €41.9 million)
- Gross profit as percentage of revenue 64.7% (2011: 66.6%)
- Underlying\* operating expenses: €21.9 million (2011: €21.6 million)
- Underlying EBITDA\*\* : €1.9 million (2011: €6.3 million)
- Underlying EBITA\*\*\* : €0.2 million (2011: €4.5 million)
- Underlying operating result: -€1.3 million (2011: €2.9 million)
- Underlying net result: -€0.9 million (2011: €2.3 million)
- Solid cash position of €7.1 million as at 31 December 2012 (2011: €7.0 million)

\* Underlying results exclude non-recurring restructuring expenses and impairment losses

\*\* EBITDA is defined as Earnings Before Interest, Taxation, Depreciation and Amortisation

\*\*\* EBITA is defined as Earnings Before Interest, Taxation and Amortisation of identified intangible assets

# Summary Income Statement

Period ended 31 December	2012 €million	2011 €million	Note
<b>Revenue</b>	<b>36.8</b>	<b>41.9</b>	Declined volumes in Southern Europe, predominantly Spain and Italy. Only partly offset by price increases and enhanced services
Gross profit	23.8	27.8	Increased demand for higher reimbursements of the collection of the umbilical cord blood and cord tissue in the hospitals
Gross profit margin	65%	67%	
Operating expenses excluding depreciation and amortization	23.0	21.6	Including termination of contracts: €0.7m, severance cost: €0.3m and some other non-recurring costs: €0.1m
Depreciation, amortization and impairments	18.3	3.3	Including non-cash impairment of goodwill and other assets: €15.1 million
<b>Operating result</b>	<b>-17.5</b>	<b>2.9</b>	
Financial result	0.2	0.1	
<b>Result before taxation</b>	<b>-17.3</b>	<b>3.0</b>	
Taxation	0.2	(0.7)	
<b>Result after taxation</b>	<b>-17.1</b>	<b>2.3</b>	
<b>Basic earnings per share (€cents)</b>	<b>-183.1</b>	<b>25.0</b>	

## Summary Balance Sheet

Period ended	31 December 2012 €million	31 December 2011 €million	Note
Non current assets	34.2	53.6	Goodwill impairment (€14m) and reclassification of €3m to current asset held for sale regarding French processing and storage facility
Current assets	21.4	18.8	Asset held for sale €3m Cash position €7.1m (2011: €7.0m)
<b>Total assets</b>	<b>55.6</b>	<b>72.4</b>	
<b>Total equity</b>	<b>29.8</b>	<b>47.2</b>	Result for the period and dividend
Non-current liabilities	16.5	16.3	
Current liabilities	9.3	8.9	
<b>Total liabilities</b>	<b>25.8</b>	<b>25.2</b>	
<b>Total equity and liabilities</b>	<b>55.6</b>	<b>72.4</b>	

## Summary Cash flow statement

Period ended 31 December	2012 €million	2011 €million	Note
Net cash from operations	2.8	7.1	Net cash was mainly affected by lower result for the period
Net cash from operating activities	2.4	6.2	
Net cash used in investing activities	(1.6)	(3.9)	Investments in PP&E (€1.1m, mainly lab equipment, movement of headquarter and replacement investments) + investments in software (€0.4m)
Net cash from/(used in) financing activities	(0.7)	(1.2)	Dividend €0.5m and redemption of borrowings €0.2m
Net increase/(decrease) in cash and cash equivalents	0.1	1.1	
<b>Cash and cash equivalents at the end of the period</b>	<b>7.1</b>	<b>7.0</b>	



- 35,100 new samples stored in 2012 (2011: 39,900)  
21,200 new cord blood samples and 13,900 new cord tissue samples
- Over 225,000 samples stored in total
- 76% of new customers opt for combined service of cord blood and cord tissue storage
- Conferences for medical professionals and other educational events in The Netherlands, Spain, Italy, Hungary, Serbia, Bosnia-Herzegovina and Cyprus
- Opening of new offices near capital cities in Bulgaria and Serbia and focus on regions and provinces in Spain, Italy and Hungary
- Closure of French processing and storage facility. The debt free building is held for sale
- Cessation of Cryo-Lip® activities

## Europe

- Market share remained stable
- Organic growth in some South Eastern European countries
- Decreasing volumes in Southern Europe due to economic crisis, predominantly Spain and Italy
- Continued efforts to increase knowledge and awareness of stem cells and stem cell treatments

## Asia

- Main market is India, showing volume growth

## Africa

- Main market is South Africa, showing volume growth



- To date over 25,000 unrelated cord blood transplants
- European cord blood banks released 53 samples:  
34 autologous, 18 related allogeneic, 1 unrelated allogeneic
- USA banks, started 10 years ahead of the European banks, released hundreds of samples
- Clinical trials ([www.clinicaltrials.gov](http://www.clinicaltrials.gov)):
  - over 4,100 CTs with stem cells
  - over 3,700 CTs with hematopoietic stem cells
  - over 700 CTs with cord blood
  - over 200 CTs with mesenchymal stem cells
  - over 500 CTs with adipose tissue

## Promising treatments

Cerebral palsy	Orthopedic applications
Traumatic brain injury	Auto-immune disorders
Stroke	Ophthalmological applications
Spinal cord injuries	Solid tumors
Heart disease	Liver disease
Type 1 Diabetes	Musculo-skeletal and burns

- Revenue €8.1 million (Q1 2012: €9.6 million)
- Gross profit €5.1 million (Q1 2012: €6.3 million)
- Operating expenses €4.9 million (Q1 2012: €6.0 million)
  - Decrease due to the impact of the cost saving program as announced in June 2012
- EBITDA\*: €0.2 million (Q1 2012: €0.3 million)
- EBITA\*\*: -€0.2 million (Q1 2012: -€0.2 million)
- Operating result: -€0.6 million (Q1 2012: -€0.6 million)
- Net result: -€0.7 million (Q1 2012: -€0.7 million)
- Another tranche of 121,597 shares was repurchased under the share buyback program

\*\* EBITDA is defined as Earnings Before Interest, Taxation, Depreciation and Amortisation

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- 7,700 new samples stored in Q1 2013 (Q1 2012: 9,300)  
4,500 new cord blood samples and 3,200 new cord tissue samples
- 246,000 samples have been stored in total at 31 March 2013
- 71% of new customers opt for combined service of cord blood and cord tissue storage
- Opening new processing and storage facility in Pretoria, South Africa
- Management team strengthened with the new Chief Commercial Officer, Ms Evi Mattil

- Sample release: 1st transplantation in Spain to treat Blackfan-Diamond Anaemia with stem cells stored with Cryo-Save

- 2013 will be a turnaround year to regain profitable growth
- Focus will be on current markets and current services
  - Increase market penetration
  - Capturing more market share
  - Further ongoing severe cost savings



## Additional background

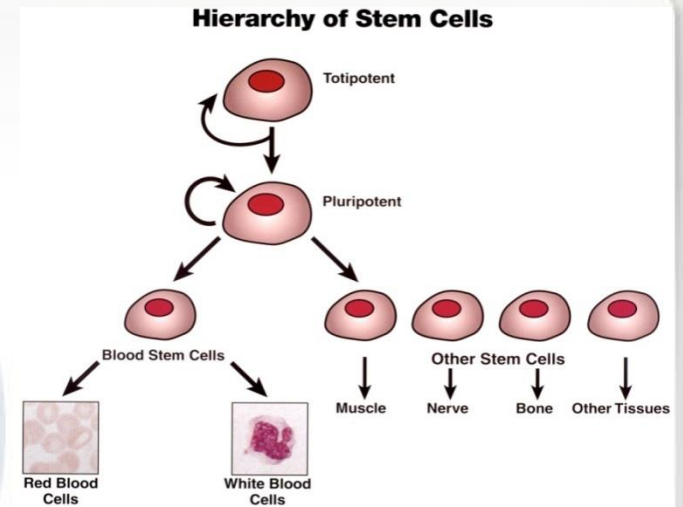


- The largest family stem cell bank in Europe
- Cryo-preserved samples from over 70 countries on six continents
- Ultra-modern processing and storage facilities in:  
Belgium, Germany, Dubai, India and South Africa
- >250 people, including over 20 medical doctors and over 40 lab technicians

- Collection, processing and storage of human adult stem cells
  - from umbilical cord blood and umbilical cord tissue for new-borns
- More than 225,000 samples stored
- Many blood and blood-related diseases can be treated by use of stem cells from cord blood
- Fast growing fields of cellular therapy and regenerative medicine
- Cryo-Save is **not** involved in embryonic stem cells

# What are stem cells?

- Unspecialized cells that can replicate and differentiate themselves into a wide range of specialized cell types
- Two types:
  - Embryonic: derived from embryos
    - Capacity for unlimited expansion
    - Differentiate into virtually all cell types
    - Significant ethical issues in use
  - Adult: derived from bone marrow, peripheral blood, cord blood, cord tissue or adipose tissue
    - More limited in potential
    - No ethical concerns



## Why store adult stem cells?

- Today: common practice in over 70 blood and blood related diseases, and anecdotal results
- Tomorrow: promising results from clinical trials. Over 4,100 CTs with stem cells.
- Stem cell therapy has the potential to radically change the treatment of human diseases -> regenerative medicine and tissue engineering (repair, replace, regenerate)
- 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

## ***Cord blood and cord tissue***

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



VISIT US: [WWW.CRYO-SAVE.COM/GROUP](http://WWW.CRYO-SAVE.COM/GROUP)



- Receipt of sample at Licensed Dutch Tissue Bank (Zutphen)
- Processing and storage at flagship laboratory in Niel, Belgium
- Tested for disease and bacterial contamination
- Samples stored in gas phase of liquid nitrogen
- 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 (“closed bag system”)



- New report shows that stem cells from younger donors are preferred (December 2012)
- Stem cells being used to treat Type 1 diabetes (December 2012)
- Stem cells help boy with Cerebral Palsy to walk (December 2012)
- More than 500,000 samples preserved by Cord Blood Europe members (September 2012)
- Stem cells treatment for autism to be tested in FDA-backed trial (September 2012)
- Baby overcomes effects of 'water on the brain' (September 2012)
- UK launches a new center of excellence for stem cell research (September 2012)

- Stem cells can beat back Diabetes: UBC research (July 2012)
- Cord blood stem cell restore Toddler's hearing (July 2012)
- Promising results from the treatment of type 1 diabetes using own stem cells (June 2012)
- Umbilical cord mesenchymal stem cells have been shown to inhibit breast cancer cell growth (June 2012)
- First child enrolled in FDA approved clinical trial using autologous cord blood to treat acquired hearing loss (May 2012)
- World's first approved stem cell drug for the treatment of acute graft-vs-host disease in children (May 2012)
- Study using stem cell therapy shows promise in the fight against HIV (May 2012)

- Children with spina bifida treated with unique stem cells show amazing responses (April 2012)
- Two genetically selected babies save their brother's life in Spain (February/March 2012)
- Cord Blood banking saves Missouri girl's life (March 2012)
- First trial in US and in the world to study the infusion of stem cells into the human brain (February 2012)
- Girl is treated for sickle cell disease using UCB from her sibling (February 2012)
- Autologous umbilical cord blood stem cells promise for use in asphyxiated neonates (February 2012)
- Breakthrough for umbilical cord stem cells being converted into other stem cell types (January 2012)