

8 July 2008

# Cryo-Save Group NV

## **First half trading update – samples stored up 36%**

Cryo-Save Group N.V. (AIM: CRYO, "Cryo-Save" or "the Group"), Europe's largest adult stem cell storage bank, announces that it is publishing a trading update for the first half year, ended 30 June 2008. The Group has also today acquired its Spanish distributor, Crio Cord, for an initial consideration of €16m. This earnings enhancing acquisition secures the Group's position in one of the fast growing European markets - see separate announcement.

Cryo-Save had a strong second quarter with 6,634 samples stored (Q2 2007: 4,865; Q1 2008: 5,903), up 36% over Q2 2007. The total number of samples stored for the first half year 2008 was 12,537.

The number of new clients in Q2 2008 was 7,412 (Q2 2007: 5,859; Q1 2008: 6,823), representing a growth of 27% over Q2 2007. The total number of new clients in the first half of 2008 was 14,235.

On 4 June 2008 the Group launched its new product CryoCord that allows for the collection and storage of adult mesenchymal stem cells ('MSCs') from the lining of umbilical cord tissue. The Group is the first company to offer this service to customers. The launch of its other new product, Cryo-Lip, is scheduled for later this year.

During the first half year of 2008, the Group has continued to invest in expanding and developing its operations in Hungary, Italy, France, Germany, India and South Africa:

- Hungary – acquired 70% of distributor Sejtbank for an initial consideration of €3.25m
- Italy – strengthened and improved the sales team and started to offer a private-shared banking service which will be introduced into other countries after regulatory clearance
- France – invested in starting a business in this new substantial market, well ahead of the Board's plans and expect to be fully operational by the end of 2008
- Germany - restructured the business, establishing one centralised operational hub and sales team
- India – established operations and currently installing processing and storage facility
- South Africa – acquired remaining 50% stake of JV Cryoclinic.

As well as investing in expanding its operations the Group has strengthened its central management function during the first half of the year. As a result of these investments the sales and profit growth are expected to be far stronger in the second half of 2008. Overall, the Group is trading in line with the Board's expectations.

The Group expects to publish its results for the first half year 2008 during the week commencing 22 September 2008.

### **For further details:**

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