

News Release



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FOR IMMEDIATE RELEASE

Cord Blood Registry Surpasses Key Business Milestones in Fourth Quarter

Newborn Stem Cells from Umbilical Cord Blood an Increasing Focus of Regenerative Medicine Research in 2009

SAN BRUNO, Calif. – February 10, 2009 – Cord Blood Registry (CBR), the global leader in the collection and preservation of newborn stem cells from umbilical cord blood, announced today that in the fourth quarter ended December 31, 2008, the company exceeded \$100 million in annual revenue – an increase of 28 percent. In addition, the company surpassed 250,000 total cord blood units in storage, which represents a 26 percent growth rate for 2008.

The company also announced that it released its 100th cord blood unit for medical use, a milestone attesting to the rapidly increasing use of a child’s own newborn stem cells (also called autologous use) for medical therapies to help repair damaged tissue and regenerate healthy cells. In 2008, the company released one cord blood unit every other week for medical use. To date in 2009, the company has released more than two units per week for medical use. The majority of units released – more than 80 percent – have been used to treat the child from whom they were collected.

Umbilical cord blood is a rich and diverse source of newborn stem cells that can be collected without ethical concerns in a ten minute window immediately after birth. This population of stem cells is a preferred source for clinical research in regenerative medicine because these cells have demonstrated embryonic-like capabilities to proliferate and develop into all of the major cell types in the body.

“This is an extremely significant time in CBR’s history because of the crucial role we’re playing to help advance medical research with newborn stem cells for injuries and other serious health conditions in children that have no cure today,” said Tom Moore, chief executive officer of CBR. “We have released more cord blood units for autologous use in regenerative medicine than all other cord blood banks

combined; and in the next 12 months, we will release more units for medical use than we have released in the previous 12 years.”

Increasingly, researchers are using an individual’s own stem cells to explore new regenerative therapies because autologous stem cell therapy avoids medical complications and safety concerns that may develop with stem cells donated or created from another source. The key to initiating new trials is identifying children who have a specific condition and who have access to their own newborn stem cells.

“CBR is in a unique position to help provide a patient cohort to launch new studies because of our size – the number of CBR clients is equivalent to the population of a small city,” said Moore. “The same incidence of injuries, accidents and conditions that happens to children in the general population, happens to the more than a quarter of a million children whose cord blood is stored in our facility. However, the children whose cord blood is already banked with us have the opportunity to be enrolled in new studies because they have access to their newborn stem cells”

In a city whose population equals the number of cord blood units stored at CBR, statistics calculated from Center of Disease Control (CDC) data would predict that every 1 in 50 children by age 6 will develop or experience a condition that has no cure today and is currently being researched for treatment with newborn stem cells. This includes traumatic brain injury, cerebral palsy, stroke, type 1 diabetes, heart disorders and hearing loss.

The CBR Center for Regenerative Medicine to Help Initiate Hearing Loss Study

Cord Blood Registry also announced today that it is in discussions with three leading medical institutions to launch a clinical study that will evaluate the use of a child’s own newborn stem cells to treat hearing loss caused by an accident or severe illness.

The research will be facilitated and coordinated by The CBR Center for Regenerative Medicine, which was established by Cord Blood Registry as a scientific research collaborative with leading medical research institutions from around the country. The company estimates that more than 600 children already banked with CBR may have some form of severe hearing loss. The CBR Center for Regenerative Medicine is currently screening potential candidates for this study.

About Cord Blood Registry

Cord Blood Registry[®] (CBR[®]) is the world's largest stem cell bank, focused on the collection, processing and storage of newborn stem cells from umbilical cord blood and ensuring their viability for medical use. CBR is the most recommended family cord blood bank by obstetricians and was the first family bank accredited by AABB (formerly the American Association of Blood Banks). The company has been profitable and cash flow positive from operations on a cumulative basis since 1999. To date, CBR has processed and stored cord blood units for more than 250,000 newborns from around the world and has released more client cord blood units for specific therapeutic use than any other family cord blood bank. The company's research and development efforts are focused on helping the world's leading clinical researchers advance regenerative medical therapies using cord blood stem cells as well as enhancing its industry-leading technical innovations for stem cell collection, processing and storage that optimize quality and cell yield. For more information, visit www.CordBlood.com.

About The CBR Center for Regenerative Medicine

The CBR Center for Regenerative Medicine[®] is a scientific research collaborative established by Cord Blood Registry to promote greater scientific understanding of newborn stem cells and explore their use to treat life-threatening and life-limiting conditions in children that have no cure today. In partnership with leading medical research institutions and researchers, the CBR Center for Regenerative Medicine has been a catalyst for advancing human clinical trials investigating the use of a child's own cord blood stem cells to treat brain injury, infant stroke, juvenile diabetes and hearing loss. Additional studies are in development or being considered for spinal cord injury and heart repair.

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