

VITROLIFE ENTERS RESEARCH AND CO-OPERATION AGREEMENT WITH WORLD LEADING STEM CELL RESEARCHERS

Vitrolife has entered a research and co-operation agreement with world leading stem cell researchers in a newly formed company, Cell Therapeutics AB, based in Göteborg, with affiliation to the universities in Göteborg and Uppsala, Sweden. Vitrolife will initially deliver media to Cell Therapeutics's stem cell research and later, on an exclusive basis, commercialise media for clinical cultivation of stem cells and tissues.

Cell Therapeutics's core-competence encompasses all steps in the R&D chain, from the isolation of stem cells from embryos, fetuses or the patient, to clinical applications. Professors Christer Betzholtz, Peter Eriksson and Anders Lindahl contribute with unique pre-clinical and clinical cell therapy expertise. Professor Sven Enerbäck's research focuses on the development of new stem cell-based treatment methods for cardiac infarction and heart failure. Professor Henrik Semb's research team is working on animal models for the application of stem cells for the treatment of diabetes.

The agreement covers research and product development for therapies of common diseases, for example diabetes, cardiac infarction and neurodegenerative diseases, e g Alzheimer and Parkinson.

Vitrolife will be a minority shareholder of Cell Therapeutics.

"The agreement is of great strategic importance for Cell Therapeutics in securing the development and production of high quality culture media for human applications, which is pivotal for the new company" said Professor Anders Vedin, Chairman of the Board of Cell Therapeutics AB.

"One of Vitrolife's most exciting research areas is media for stem cell cultivation. It is very promising that researchers with great international reputation and impact have chosen Vitrolife as partner", said Dr. Peter Svalander, President and CEO of Vitrolife AB.

"Stem cell-based biotechnology requires the most advanced media possible to manufacture regarding efficacy, safety and quality, which is Vitrolife's focus. It is particularly promising that we now have the opportunity to apply our competence in one of the most exciting areas in today's biomedicine" said Dr. Johan Hyllner, Director of Business Area Cell Therapy and Tissue Engineering Systems within Vitrolife.

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Vitrolife

Vitrolife's business mission is to develop, produce and sell advanced products and systems for the preparation, cultivation, preservation and support of cells, tissues and organs. Vitrolife intends to further expand the Company's production capacity to meet an expected increase in demand for its products, as well as strengthen its global market position as a leading company in the development of innovative cell and tissue technologies.

Vitrolife believes that the number of procedures performed annually involving tissue and cell technologies will increase as new treatments are introduced and existing treatments are improved. In addition, Vitrolife expects that the regulation surrounding approval processes and quality control for its products will increase. Vitrolife aims to create competitive advantages from this regulation by meeting and exceeding expected future demands of regulatory authorities, ahead of the Company's competitors.

Since it commenced its operations in 1993, Vitrolife has expanded rapidly. The Company currently has over 80 employees and sells its products in over 70 countries. During the latest five-year period, sales have increased by an average of 33 percent and totalled more than SEK 82 million for the fiscal year 2000.

The Vitrolife share will be listed on the Stockholm Exchange (Stockholmsbörsen) O-list from Tuesday 26th of June 2001.

Cell Therapeutics

Cell Therapeutics's business mission is to avoid loss of human life, unnecessary pain, and to improve the quality of life during severe disease with the use of new stem cell-based technologies.

Cell Therapeutics is active in fields related to some of the largest and most debilitating common diseases, such as diabetes, Parkinson's disease and arthrosis (joint deterioration).