

Interim Management Statement

Asterand plc (LSE: ATD), a leading provider of human tissue and human tissue-based services to pharmaceutical and biotechnology companies engaged in drug discovery research, today issues its Interim Management Statement.

Business performance

As previously announced, trading was slow at the start of the year but has showed some signs of improvement more recently. Before taking into consideration the acquisition of BioSeek, for the three months ended 31 March 2010, sales for Asterand's base business, (i.e. excluding the one-off contract with Baylor), fell marginally over the same period in 2009, whilst costs remained flat. This is encouraging in light of generally difficult market conditions in the global pharmaceutical market. Asterand continues to be cautious in the near term but is increasingly optimistic for the medium to long term as pharmaceutical customers become more active.

In March, Asterand was pleased to have its Royston, UK, facility accepted as a member of the UK Good Laboratory Practice (GLP) Compliance Monitoring Programme allowing it to offer GLP compliant preclinical services to pharmaceutical and biotech clients. In April 2010, Asterand held its inaugural human tissue conference in Washington DC.

Asterand continues to maintain strong cash resources. Cash as at 31 March 2010 was £3.9 million (31 December 2009: £4.2 million). Asterand currently has no long-term debt.

Recent Acquisition of BioSeek

In February 2010, Asterand announced the completion of its acquisition of BioSeek, Inc. The response from Asterand's customer base to the acquisition has been encouraging and excellent progress has been made in integrating BioSeek into the group. Asterand remains optimistic of an increasing contribution from this new platform.

Pharmaceutical collaboration agreements

Asterand has recently announced two new BioSeek agreements, with the Japanese pharmaceutical companies Ono Pharmaceutical Co. Ltd. and Eisai Co., Ltd. These are examples of a new breed of collaboration agreement that Asterand will be pursuing, where Asterand's platform is embedded within the customer's drug discovery process, and where in addition to fee for service, Asterand will potentially gain upside in the form of preclinical and, in some instances, clinical success milestones as and when compounds progress.

Asterand's CEO, Martyn Coombs, commented:

"Despite the sector's challenging headwinds, we are encouraged with progress and believe we are well positioned to benefit from improving conditions in due course. We are delighted to have seen the immediate benefits, in the form of important pharmaceutical collaboration agreements, from the BioSeek acquisition."

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About ASTERAND

Asterand plc is a leading supplier of high quality human tissue and tissue-based services. Our comprehensive approach to human tissue and research services offers pharmaceutical, biotech and diagnostic companies the unique opportunity to have one company meet all of their human biomaterial needs along the continuum of drug discovery and development. Our mission is to accelerate target discovery and compound validation and enable pharmaceutical and biotechnology companies to take safer and more effective drugs into the market.

For more information, go to www.asterand.com.