

## **ASTERAND PLC**

### **INTERIM MANAGEMENT STATEMENT For the nine months ended 30 September 2010**

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**

For the three month period ending 30th September 2010, revenue grew to \$5.4 million, a 30% increase over 2009 (Q3 2009: \$4.2 million), with the base tissue business posting 9% growth. During the nine months ending 30th September 2010, Asterand's revenue reached \$14.1 million of which \$3.8 million was related to BioSeek. Revenue during the equivalent period in 2009 was \$14.0 million of which \$3.7 million was related to non recurring revenue from the Baylor contract. The BioSeek integration is progressing well and revenues are on track to meet the Company's projections.

Asterand continues to control expenditures. As previously announced, cost savings of \$0.3 million per month were realised in August 2010. At the end of the period, Asterand had cash resources of \$ 2.9 million (30 June 2010: \$3.9 million). The reduction in cash is primarily due to increased working capital requirements with strong Q3 sales also resulting in increased accounts receivable at 30 September 2010 of \$5.0 million (30 June 2010: \$3.7 million). Asterand currently has no long term debt.

In October 2010, Asterand announced that it had been awarded a 5-year, up to \$24.3 million contract for the National Cancer Institute's (NCI) The Cancer Genome Atlas (TCGA) project. The base award is valued at \$5.4 million over 17 months; with provisions for renewal at the NCI's option.

Additionally in September Asterand announced the appointment of Dalia Cohen Ph.D. as Asterand's Chief Scientific Officer. Dr. Cohen has global responsibility for shaping and leading the Company's scientific positioning and strategy and joins from Rosetta Genomics, a leading developer of microRNA-based molecular diagnostics, where she also served as Chief Scientific Officer.

#### **Martyn Coombs, Chief Executive Officer of Asterand commented:**

"2010 has been a year of bedding down our acquisition of BioSeek, diversifying our client base beyond large pharma and building our business with the government. Through these efforts we've added significant diagnostic customers, were awarded the NCI contract and expanded BioSeek's contract with the EPA. We are encouraged by our revenues in Q3, particularly as we have not yet recognised any revenue from our new contract with the NCI. Furthermore, our contract with the NCI is a game changer that offers the possibility of a step change in the business. These efforts set a sound foundation for our future growth."

**Contacts:****Asterand plc**

Martyn Coombs, Chief Executive Officer

Tel: + 44 (0) 1763 211 600 /  
+ 1 (313) 263-0960

John Stchur, Chief Financial Officer

As above

**Buchanan Communications**

Lisa Baderoon / Mark Court / Isabel Podda

Tel: +44 (0) 20 7466 5000

**Daniel Stewart & Company plc**

Martin Lampshire

Tel: +44 (0) 20 7776 6550

**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](http://www.Asterand.com).*