For Immediate Release

CyGenics Asian Healthcare Presence Expanded in Indonesia

New joint venture to drive revenue growth in cord blood banking business

Key Points:

- Leading Indonesian pharmaceutical company, Kalbe Farma, invests in CyGenics subsidiary, CordLife Indonesia and will leverage off established networks to further grow revenues
- CordLife Indonesia to establish new cord blood processing and storage facility to be fully operational by early 2007
- CordLife Indonesia to launch expanded marketing and sales of cord blood banking business later this year

26th September 2006 – Leading tissue and cord blood banking company CyGenics Ltd. (ASX: CYN) today announced Indonesia's leading pharma company, Kalbe Farma, has taken a 49% stake in its cord blood banking subsidiary, CordLife Indonesia.

This is a further, important step in CyGenics strategy of focusing on its core business of tissue and cord blood banking, and greatly strengthens its presence in a large and important market in the Asian region. The expansion of the Indonesian operations is in line with CyGenics' focus on revenue generating cord blood banking services and on establishing a sound presence in all major markets in the Asian region.

Kalbe Farma is the largest publicly-listed pharmaceutical company in Southeast Asia, with a market capitalisation of approximately US$1.5 billion and US$600 million in annual revenue in 2005. Kalbe Farma has over 12,000 employees, which includes a sales force of 6,000 covering 80% of the Indonesian consumer and hospital health market. Further, it is the dominant supplier to the Indonesian prescription pharmaceutical market.

CordLife Indonesia has been in operation since December 2003. The cord blood units have been couriered to Singapore, for processing and storage at the company's AABB-accredited facility. The volume of business in Indonesia has grown to the extent that the operations now require a cord blood processing and storage facility in the country. The investment by Kalbe Farma will facilitate CordLife Indonesia in proceeding with its strategy to leverage further growth with a strong in-country partner. The new facility is expected to be fully operational by early 2007, and the company intends to seek AABB accreditation for this facility.

Kalbe Farma will make a significant contribution towards growing the business through its vast hospital sales force of 6,000 people, and extensive hospital and birthing centre network. CordLife Indonesia will launch an expanded marketing and sales program for the cord blood banking business later this year.

"We have been looking for some time for a suitable partner towards building a business around tissue banking and cell therapy solutions in Indonesia", said Boenjamin Setiawan, President Commissioner, Kalbe Farma. "CordLife has been operating in Indonesia for some time, with a good team of people and a strong reputation. The CyGenics group has the best expertise in this region in terms of operational experience in many markets, and high quality standards. I believe together we will be able to do great things and lift CordLife Indonesia to the next level of growth."

"With its close proximity to Singapore and a projected five million births in 2006 alone, Indonesia has always been a key market for future expansion for our CordLife operations," said Steven Fang, Group CEO, CyGenics. "We are pleased to welcome Kalbe Farma as a valuable partner, and we look forward to reaching a great many more people with our cord blood banking service."

About Kalbe Farma
Kalbe Farma is the largest publicly-listed pharmaceutical company in Southeast Asia, with approximately US$1.5 billion market capitalisation and US$600 million in revenue (2005), marketing and selling its products in 6 major markets in Southeast Asia which in aggregate represent a population of almost 500 million. Kalbe Farma focus on three business segments: consumer health (47% of revenues); prescription pharmaceuticals (23% of revenues); and distribution and packaging (30% of revenues). They have over 12,000 employees, and a sales force of 6,000 covering 80% of the Indonesian consumer health and 100% of the Indonesian prescription pharmaceutical market. For further information, please visit www.kalbefarma.com.

About CordLife
CordLife is a regional cord blood bank that operates a state-of-the-art AABB (formerly known as the American Association of Blood Banks) accredited facility in Singapore and a separate compliant facility in Hong Kong. The company currently has business activities in Australia, Singapore, Hong Kong, Indonesia, Philippines and Thailand. CordLife is a wholly-owned subsidiary of CyGenics. The first private cord blood bank to be set up in Singapore, and among the first in Asia, CordLife's start-of-the-art facility is the first in Southeast Asia to be accredited by AABB, and is the only bank to be so accredited in this region. These banking facilities comprise full processing and cryogenic storage capabilities. For further information, please visit www.cordlife.com.

About CyGenics
CyGenics is a leading tissue and cord blood banking company. From its headquarters in Australia, CyGenics operates Melbourne-based BioCell and Singapore-based CordLife, tissue and cord blood banking businesses. The company has operations in Australia, Hong Kong, India, Indonesia, Philippines, Singapore, Thailand and USA, and representative offices in China, the Netherlands and the UK. CyGenics' hold patents in the fields of stem cell expansion and differentiation. CyGenics is listed on the Australian Stock Exchange, under the symbol CYN. For more information, please visit www.cygenics.com.

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