

For Immediate Release

CyGenics to focus on tissue and cord blood banking

Key Points:

- Focus on revenue generating tissue and cord blood banking businesses
- Continue global expansion of tissue and cord blood banking businesses
- Patented technologies to be out-licensed

7th September 2006 – Leading tissue and cord blood banking company CyGenics Ltd. (ASX: CYN) today announced that it will focus primarily on its core revenue-generating tissue and cord blood banking businesses, which continue to show substantial growth in both numbers of clients and revenue.

In the past financial year CyGenics' tissue and cord blood banking businesses produced an increase over the previous year revenues in excess of 115%. Included in this revenue was tissue banking annuity revenue, which increased by 216% over this period and is budgeted to more than double for this financial year.

Total client numbers currently exceed 6,000 and over the past financial year increased by 73%. CyGenics is expecting a higher number of new clients in the current financial year. This growth took place across CyGenics' existing markets – namely Australia, Hong Kong, Indonesia, Philippines, Singapore and Thailand. The company expects client numbers and revenue to be boosted further when CordLife India, as announced earlier this year, becomes fully operational in mid-2007.

CyGenics will continue to expand its tissue banking businesses into new geographic markets, notably those with a significant population base and higher disposable incomes. One such market is China, where CyGenics' management have been patiently sourcing appropriate opportunities for the past five years. A Shanghai-based subsidiary was established in 2003 in preparation of implementing the right opportunity. A number of exciting transactions in the Asian region, the UK and Europe are currently under assessment.

CyGenics will seek out-licensing partners for its stem cell expansion and T-cell production technologies and potential partnering opportunities have already been identified. This will enhance further development of the technologies. The management and funding of the development programs will be managed by the partners.

As announced last week, CyGenics has divested its non-tissue banking subsidiary, Cell Sciences, in exchange for a 20% stake in DNAPro Sdn Bhd., a Malaysian



company engaged in the manufacturing and supply of biopharmaceutical products. This has enabled CyGenics to better access the Malaysian markets and re-apply resources to the further expansion of the tissue and cord blood banking business.

“Our technologies are at the stage of offering potential out-licensing value and our primary focus is now on the expansion of our global tissue and cord blood banking businesses into lucrative markets,” said Mr Steven Fang, Group CEO of CyGenics.

“There will be no further expenditure made on our technologies, which will be out-licensed to appropriate partners. This strategy will ensure CyGenics is on a sure footing towards profitability and maximising shareholder value.”

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.

For more information, please contact:

Steven Fang, CEO, CyGenics Tel: +61 (0)3 9642 5580 Mob: +61 (0)400 933 243 Email: steven.fang@cygenics.com	Rebecca Piercy, PR, Buchan Consulting Tel: +61 (0)2 9237 2800 Mob: +61 (0)422 916 422 Email: rpiercy@bcg.com.au
Ian Brown, COO, CyGenics Tel: +61 (0)3 9642 5580 Mob: +61 (0)438 565 212 Email: ian.brown@cygenics.com	Ronald Hee, PR, Cygenics Ph: +65 9061 9098 Email: ronald.hee@cygenics.com