

Asterand plc
("Asterand" or the "Group")

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.

In the Company's Interim Results statement on 31 August 2011, Asterand announced that volatile trading conditions had led to a reduced outlook for the year and that further funding would be required as the Company was in breach of its banking covenants.

After a downturn in the Tissue business during the third quarter, trading conditions have improved and the Company now expects Tissue revenues to be in line with 2010. BioSeek has consolidated its trading in the second half to date after achieving strong growth in the first half. Overall, the Company continues to expect that Group revenues for the full year ended 31 December 2011 should exceed 2010.

Whilst the Company is encouraged with the upturn in the operational performance, the balance sheet remains an issue that needs to be resolved. The Company previously announced that events of default had occurred in respect of both the Silicon Valley Bank debt and the loan notes with former BioSeek shareholders. These debts amount to approximately US\$9m in aggregate. The need to settle these notes led the Board to look first at a re-financing of the Group and then to commence, on 24 October 2011, a formal sale process. The Board's initial estimates of the cash available to the Company have been reviewed and in light of both the upturn in trading and improvements in cash collection and working capital control, the Board now believes that it has sufficient working capital to continue into the early part of 2012. As a consequence, the Company has extended the timeframe for the formal sales process and continues to evaluate the options of either a sale of the business or a re-financing.

As well as experiencing challenging trading conditions since 30 June 2011, the Company has also experienced management changes with both the CEO, Martyn Coombs, and the CFO, John Stchur, leaving the Company. Alan Fishman was appointed as Interim CFO with Jack Davis, the Company's Chairman, taking on the role of Interim CEO. Discussions regarding the appointment of a new CEO have been suspended for the period of the formal sale process.

Jack Davis, Asterand Chairman and Interim CEO, commented:

"The second half of 2011 has been a turbulent one for the Company. Asterand started the year with high expectations only to experience volatile trading in the first half which adversely impacted certain key financing arrangements and a weakening of our balance sheet. Whilst the expected increase in revenues for the final quarter has improved the general outlook, our balance sheet issues continue to dominate the actions of the Company."

Contacts:

Asterand plc

Jack Davis, Chairman and Interim CEO

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

Alan Fishman, Interim CFO

As above

Daniel Stewart & Company plc

Antony Legge

Tel: +44 (0) 20 7776 6550

Buchanan Communications

Lisa Baderoon / Mark Court / Isabel Podda

Tel: +44 (0) 20 7466 5000

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 about Asterand, go to www.asterand.com.