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Cordlife Ltd

ABN 48 108 051 529

Condensed Half-Year Financial Report

Period Ended 31 December 2011

Cordlife Ltd

Half-year Financial Report
for the period ended 31 December 2011

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	Page Number
Directors' Report	*2*
Auditor's Independence Declaration	*5*
Independent Review Report	*6*
Directors' Declaration	*8*
Consolidated Statement of Comprehensive Income	*9*
Consolidated Statement of Financial Position	*10*
Consolidated Statement of Cash Flows	*11*
Consolidated Statement of Changes in Equity	*12*
Notes to the Financial Statements	*14*

Directors' Report

The directors of Cordlife Ltd submit herewith their report and the consolidated financial report of the Company for the half-year ended 31 December 2011.

The names and particulars of the Company's directors in office during the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Name	Particulars
Kam Yuen	Chairman (non-executive)
Steven Fang (Boon Sing Fang)	Executive Director and Chief Executive Officer
Simon Hoo*	Executive Director and Chief Financial Officer
Simon Lee*	Executive Director
Samuel Kong	Non-executive Director
Mark Benedict Ryan	Non-executive Director
Voiron Chor	Non-executive Director

* Appointed on 23 January 2012
** Mr Simon Hoo was acting Chief Financial Officer until formal appoint on 23 January 2012

The Company Secretary is Andrew Lord (BSc, LLB).

Review and results of operations

The consolidated revenue and net profit for the period attributable to members represents the results of operations of Cordlife Ltd and its controlled entities for the period from 1 July 2011 to 31 December 2011. Details of controlled entities are set out in note 10 to the half-year financial statements for the period ended 31 December 2011.

On 16 June 2011, the shareholders of the Company approved a capital reduction exercise, implemented by way of distribution in specie of all the issued ordinary shares in wholly owned subsidiary, Cordlife Group Limited and its subsidiaries ("Cordlife Singapore"). The capital reduction effectively resulted in the demerger of Cordlife Singapore from the Group.

Hence, the reported loss from continuing operations after tax for the period ended 31 December 2011 and 31 December 2010 excludes the operation of Cordlife Singapore.

Consolidated revenue and other income for continuing operations for the half-year ended 31 December 2011 increased by approximately 65% to $3,460,000 from $2,098,000 for the half-year ended 31 December 2010.

- Revenue from cord blood banking services was $3,197,000 for the half-year ended 31 December 2011 as compared to $1,960,000 for the half-year ended 31 December 2010 (an increase of 63%). Increase is mainly due to higher sign-up in India and Philippines.

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- Interest and other sundry income was $270,000 for the half-year ended 31 December 2011 as compared to $141,000 for the half-year ended 31 December 2010 (an increase of 91%). This is largely due to increase in interest income generated from the placement of fixed deposit with favourable interest.

- Distribution and marketing expenses were $1,075,000 for the half-year ended 31 December 2011 as compared to $594,000 for the half-year ended 31 December 2010 (an increase of 81%). The increase is attributable to additional advertising, promotion and marketing related costs, driven by continue market expansion and developmental activities in India, Indonesia and the Philippines.

- Administration expenses were $3,397,000 for the half-year ended 31 December 2011 as compared to $4,646,000 for the half-year ended 31 December 2010 (a decrease of 27%).

- Borrowing costs were $1,561,000 for the half year ended 31 December 2011 as compared to nil for the half year ended 31 December 2010 (an increase of 100%). The borrowing cost pertains to the interest expense incurred on the convertible bond issued in prior year.

Net loss attributable to members for the half-year ended 31 December 2011 was $4,029,000, an increase of 2,270% over the net loss attributable to members of $170,000 for the half-year ended 31 December 2010.

Information on revenue and results of the different operating segments are set out in note 11 to the half-year financial statements. Details of significant costs are set out in note 2.2.

- Cash and cash equivalents, net of bank overdrafts, as at 31 December 2011 was $3,962,000.

- Trade and other receivables at 31 December 2011 was $9,595,000, as compared to $2,584,000 at 30 June 2011. This was due to increase in other receivables and deposit. This was largely due to an amount of $5,890,000 that was placed as refundable deposit to carry out due diligence exercises on a potential investment.

- Plant and equipment at 31 December 2011 was $542,000, as compared to $662,000 at 30 June 2011. The decrease was due to the depreciation of fixed asset, partially offset by new acquisitions of equipment.

- In the financial year ended 30 June 2011, the Company issued a convertible bond to secure additional funding of $7,412,000, which is intended to be applied in the continued development of the developing business. The bond agreement contains a default clause that requires the Company to maintain $7,412,000 in its cash balances until such time as the options granted to the bondholder are exercised. On this basis, the $7,412,000 received had been classified as restricted cash under other financial assets.

  On 30 November 2011, a Deed of Amendment was executed which removed the above requirement, hence, the classification of the $7,412,000 to the cash and cash equivalents. This explained the decrease in other financial assets.

- Trade and other payables at 31 December 2011 was $2,833,000, as compared to $1,808,000 at 30 June 2011. The increase is mainly due to increase in other payables. Increase in other payables was due to amount owing to Cordlife Singapore for payments made and collections received on behalf of the Company and recharges for staff claims and relevant expenses.

For further information on the activities and development of the Group, please refer to previously released market announcements of the Company during the half-year ended 31 December 2011 and until the date of this report.

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Auditor's independence declaration

In accordance with section 307C of the *Corporations Act 2001*, we have obtained a declaration of independence from our auditors Ernst and Young, a copy of which follows this Report.

Rounding of amounts to nearest thousand dollars

The amounts contained in this report and in the financial report have been rounded to the nearest $1,000 (unless otherwise stated) under the option available to the Company under ASIC Class Order 98/0100. The Company is an entity to which the Class Order applies.

This report is made in accordance with a resolution of the directors.

On behalf of the Board

Steven Fang

Singapore

29 February 2012

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11 Mounts Bay Road
Perth WA 6000 Australia
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Auditor's Independence Declaration to the Directors of Cordlife Limited

In relation to our review of the financial report of Cordlife Limited for the half-year ended 31 December 2011, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young

G H Meyerowitz
Partner
Perth
29 February 2012

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GHM:MJ:Cordlife:2012:006

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Report on the Half-Year Condensed Financial Report

We have reviewed the accompanying half-year condensed financial report of Cordlife Limited (the company), which comprises the statement of financial position as at 31 December 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Condensed Financial Report

The directors of the company are responsible for the preparation of the half-year condensed financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the half-year condensed financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year condensed financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of Interim and other Financial Reports Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001*. As the auditor of Cordlife Limited and the entities it controlled during the half-year, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year condensed financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.

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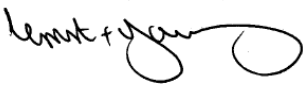
Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year condensed financial report of Cordlife Limited is not in accordance with:

a. the *Corporations Act 2001*, including giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance for the half-year ended on that date; and

b. complying with Accounting Standard AASB 134 Interim *Financial Reporting* and the *Corporations Regulations 2001*; and



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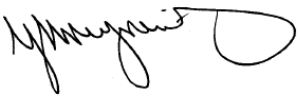

G H Meyerowitz
Partner
Perth
29 February 2012

GHM:MJ:Cordlife:2012:007

Cordlife Ltd

Directors' Declaration

In accordance with a resolution of the directors of Cordlife Ltd, I state that:

In the opinion of the directors:

a) The financial statements and notes of the consolidated entity for the financial period ended 31 December 2011 are in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the financial position as at 31 December 2011 and the performance for the half-year ended on that date of the consolidated entity; and

(ii) complying with Australian Accounting Standard AASB 134 "Interim Financial Reporting" and the *Corporations Regulations 2001*

b) There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

Steven Fang

Singapore

29 February 2012

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Cordlife Ltd

Consolidated Statement of Comprehensive Income for the half-year ended 31 December 2011

	Note	Half-year ended 31 December 2011 $'000	Half-year ended 31 December 2010 $'000
Continuing Operations			
Revenue	2.1(a)	3,460	2,098
Cost of sales		(1,533)	(821)
Gross profit		**1,927**	**1,277**
Other income			
- Sundry income	2.1(b)	7	3
Distribution and marketing expenses		(1,075)	(594)
Administration expenses		(3,397)	(4,646)
Borrowing costs		(1,561)	-
Loss from continuing operations before income tax		**(4,099)**	**(3,960)**
Income tax expense		(9)	(4)
Loss from continuing operations after income tax		**(4,108)**	**(3,964)**
Discontinued operations			
Profit from discontinued operations	10(b)	-	3,735
Net loss for the period		(4,108)	(229)
Other comprehensive (losses) / income			
Foreign currency translation gain/(losses)		(135)	(2,835)
Total comprehensive (losses) / income for the period, net of tax		**(4,243)**	**(3,064)**
(Loss) / profit after income tax attributable to:			
Non-controlling interests		(79)	(59)
Members of parent		(4,029)	(170)
		(4,108)	**(229)**
Total comprehensive (losses) / income attributable to:			
Non-controlling interests		43	(51)
Members of parent		(4,286)	(3,013)
		(4,243)	**(3,064)**
(Loss) / earnings per share attributable to the ordinary share equity holders of the company:			
Basic (loss) / earnings per share (cents per share)	8	(2.67)	(0.1)
Diluted (loss) / earnings per share (cents per share)	8	(2.67)	(0.1)

The above statement should be read in conjunction with the accompanying notes.

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Cordlife Ltd

Consolidated Statement of Financial Position
for the half-year ended 31 December 2011

	Note	31 December 2011 $'000	30 June 2011 $'000
Current assets			
Cash and cash equivalents		3,973	5,322
Other financial assets	9	-	7,412
Trade and other receivables	3	9,595	2,584
Inventories		87	74
Total current assets		**13,655**	**15,392**
Non-current assets			
Plant and equipment		542	662
Trade and other receivables	3	1,612	1,334
Deferred tax assets		2	-
Total non-current assets		**2,156**	**1,996**
Total assets		**15,811**	**17,388**
Current liabilities			
Bank overdraft		11	-
Trade and other payables		2,833	1,808
Provisions		139	159
Deferred revenue		138	142
Total current liabilities		**3,121**	**2,109**
Non-current liabilities			
Deferred revenue		1,317	670
Deferred tax liabilities		1,152	1,150
Convertible bonds	9	4,504	3,499
Total non-current liabilities		**6,973**	**5,319**
Total liabilities		**10,094**	**7,428**
Net assets		**5,717**	**9,960**
Equity			
Contributed equity	6	64,707	64,707
Foreign currency translation reserve		(239)	(61)
Other reserve		(1,878)	(1,878)
Employee equity benefits reserve		3,206	3,206
Convertible bond reserve		2,651	2,651
Accumulated losses		(62,457)	(58,428)
Attributable to equity holders of the parent		**5,990**	**10,197**
Non-controlling interests		(273)	(237)
Total equity		**5,717**	**9,960**

The above statement should be read in conjunction with the accompanying notes.

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Consolidated Statement of Cash Flows
for the half-year ended 31 December 2011

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		Half-year ended 31 December 2011 $'000	Half-year ended 31 December 2010 $'000
Cash flows from operating activities			
Receipts from customers		3,360	12,321
Payments to suppliers and employees		(5,975)	(12,521)
Interest received		223	107
Interest paid		(15)	(33)
Tax paid		-	(653)
Net cash flows used in operating activities		**(2,407)**	**(779)**
Cash flows from investing activities			
Payment for purchase of non-controlling interests		-	(857)
Payment for purchase of interest in associate		-	(4,228)
Purchase of plant and equipment		(124)	(327)
Proceeds from disposal of plant and equipment		-	1
Release of other financial assets (restricted cash)		7,412	
Payment for refundable deposit		(5,897)	-
Net cash flows from/(used in) investing activities		**1,391**	**(5,411)**
Cash flows from financing activities			
Proceeds from issues of shares		-	11,619
Payment for transaction costs on issue of shares		-	(162)
Repayments of borrowings		(305)	-
Net cash flows (used in)/from financing activities		**(305)**	**11,457**
Net (decrease)/increase in cash and cash equivalents held		**(1,321)**	**5,267**
Cash and cash equivalents at the beginning of the financial period	4	5,322	7,842
Effects of exchange rate changes on the balance of cash held in foreign currencies		(39)	(509)
Cash and cash equivalents at the end of the financial period	4	**3,962**	**12,600**

The above statement should be read in conjunction with the accompanying notes.

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Consolidated Statement of Changes in Equity for the half-year ended 31 December 2011

	Attributable to equity holders of the parent							Non-controlling interests	Total Equity
	Contributed equity $'000	Foreign currency translation reserve $'000	Accumulated losses $'000	Employee equity benefits reserve $'000	Convertible bond reserves $'000	Other reserves $'000	Total $'000	$'000	$'000
At 1 July 2011	**64,707**	**(61)**	**(58,428)**	**3,206**	**2,651**	**(1,878)**	**10,197**	**(237)**	**9,960**
Loss for the period	-	-	(4,029)	-	-	-	(4,029)	(79)	(4,108)
Other comprehensive (losses) / income	-	(178)	-	-	-	-	(178)	43	(135)
Total comprehensive losses for the half-year, net of tax	-	(178)	(4,029)	-	-	-	(4,207)	(31)	(4,243)
Transactions with owners in their capacity as owners	-	-	-	-	-	-	-	-	-
At 31 December 2011	**64,707**	**(239)**	**(62,457)**	**3,206**	**2,651**	**(1,878)**	**5,990**	**(273)**	**5,717**

The above statement should be read in conjunction with the accompanying notes.

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Consolidated Statement of Changes in Equity
for the half-year ended 31 December 2010

	Attributable to equity holders of the parent						Non-controlling interests	Total Equity
	Contributed equity $'000	Foreign currency translation reserve $'000	Accumulated losses $'000	Employee equity benefits reserve $'000	Other reserves $'000	Total $'000	$'000	$'000
At 1 July 2010	**82,967**	**(372)**	**(23,371)**	**1,773**	**(1,878)**	**59,119**	**(112)**	**59,007**
Profit for the period	-	-	(170)	-	-	(170)	(59)	(229)
Other comprehensive losses	-	(2,843)	-	-	-	(2,843)	8	(2,835)
Total comprehensive income / (losses) for the half-year, net of tax	-	(2,843)	(170)	-	-	(3,013)	(51)	(3,064)
Transactions with owners in their capacity as owners								
Issuance of shares	11,619	-	-	-	-	11,619	-	11,619
Transaction costs on issue of shares	(250)	-	-	-	-	(250)	-	(250)
At 31 December 2010	**94,336**	**(3,215)**	**(23,541)**	**1,773**	**(1,878)**	**67,475**	**(163)**	**67,312**

The above statement should be read in conjunction with the accompanying notes.

For the half-year ended 31 December 2011

1. Corporate information

The condensed half-year consolidated financial statements of the Company for the six months ended 31 December 2011 were authorised for issue in accordance with a resolutions of the directors on 29 February 2012.

Cordlife Ltd is a company limited by shares, incorporated in Australia and currently trading in Australia and Asia. The shares of the Company are publicly traded on the Australian Stock Exchange.

The Company and its controlled entities' ("consolidated entity") principal activities were the provision of human umbilical cord blood banking and cord tissue banking services, which involves the processing and storage of stem cells.

2. Basis of preparation and changes to the Group's accounting policies

Basis of preparation

This financial report for the half-year ended 31 December 2011 is a general purpose financial report prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001.

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

It is recommended that the half-year financial report should be read in conjunction with the annual report for the year ended 30 June 2011 and considered together with any public announcements made by Cordlife Ltd and its controlled entities during the half-year ended 31 December 2011 in accordance with the continuous disclosure obligations of the ASX listing rules.

Accounting policies

The accounting policies adopted in the preparations of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 30 June 2011

From 1 July 2011, the Group has adopted all Australian Accounting Standards and Interpretations, mandatory for annual periods beginning on or after 1 July 2011.

- AASB 124 Related Party Disclosures (Revised)
- AASB 2009-12 Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052]
- AASB 2010-4 Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101, AASB 134 and Interpretation 13]
- AASB 2010-5 Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042]

Adoption of these standards and interpretations did not have an effect on the financial position or performance of the Group.

The Group has elected not to early adopt any new standards or amendments that are issued but not yet effective.

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2.1 Revenue

	Half-year ended 31 December 2011 $'000	Half-year ended 31 December 2010 $'000
(a) Revenue		
Revenue from the rendering of services	3,197	1,960
	3,197	**1,960**
Other revenue		
Interest income	199	116
Interest income on long-term trade receivables	64	22
	263	**138**
Total revenue	**3,460**	**2,098**
(b) Other income		
Sundry income	7	3
	7	**3**
Total revenue and other income	**3,467**	**2,101**

2.2 Losses before income tax

Losses before income tax includes the following items of expense:

	Half-year ended 31 December 2011 $'000	Half-year ended 31 December 2010 $'000
Depreciation of property, plant and equipment	164	190
Operating lease expenses – rental expenses	186	221
Foreign exchange (gain)/loss	(11)	224
Staff costs	1,859	2,505
Other expenses:		
Legal and professional fees	304	238
Business travel	552	523
Consultancy	425	58
Advertising and promotion	311	250

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		31 December 2011 $'000	30 June 2011 $'000
3	**Trade and other receivables**		
	Current		
	Trade receivables	2,139	1,459
	Goods and services tax recoverable	201	251
	Interest and other receivables	1,271	830
	Amount owing from associates	-	44
	Deposits	5,984	-
		9,595	**2,584**
	Non-current trade receivables	1,612	1,334
		1,612	**1,334**
	Total trade and other receivables	**11,207**	**3,918**
4	**Notes to statement of cash flows**		
	For the purpose of the statement of cash flows, cash includes cash on hand and in banks. Cash at the end of the financial period as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
	Cash at bank and in hand	3,940	1,203
	Term deposits with banks	33	4,119
	Bank overdraft	(11)	-
		3,962	**5,322**
5	**Investments in associates**		
	Investments in associates – at 1 July	-	12,060
	Add: Share of profits after income tax	-	-
	Less: Disposal of subsidiaries	-	(11,532)
	Exchange rate adjustment	-	(528)
		-	-

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6 Contributed equity

	31 December 2011 $'000	30 June 2011 $'000
Balance at beginning of the period	64,707	82,967
Issue of shares during the period	-	11,619
Transaction costs related to issue of shares	-	(406)
Share capital reduction	-	(29,473)
Balance at end of the period	**64,707**	**64,707**

7. Non-controlling interests

Non-controlling interests represent the interests in Cordlife Sciences (India) Pvt Ltd and PT Cordllife Indonesia not held by the Group.

8 (Loss) / earnings per share

	Half-year ended 31 December 2011	Half-year ended 31 December 2010
Net (loss) / profit for the period attributable to members	$(4,029,000)	$(170,000)
Weighted average number of ordinary shares for basic (loss) / earnings per share	150,887,354	120,949,562
Weighted average number of ordinary shares for diluted (loss) / earnings per share	150,947,354	121,419,558
Basic (loss) / earnings per share (cents)	**(2.67)**	**(0.1)**
Diluted (loss) / earnings per share (cents)	**(2.67)**	**(0.1)**

Except as disclosed below, there were no instruments (e.g. share options) excluded from the calculation of diluted earnings per share in the current period that could potentially dilute basic earnings per share in the future. In 2011, potential ordinary shares arising on the exercise of share options were excluded as they were anti-dilutive.

Total anti-dilutive options which could be dilutive in the future amounts to 21,800,000 shares at 31 December 2011 (June 2011: 21,800,000 shares).

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9 Convertible bond

During the financial year ended 30 June 2011, the Company issued a convertible bond to secure additional funding of A$ 7,412,000, which is intended to be applied in the continued development of the developing business. Under the terms of the bond, the Company granted to the bond holder options to subscribe for 21,800,000 of its shares.

These options have an exercise price of A$ 0.40 per share and an expiry of 2 years after issue. Additionally, the bond holder is also granted an option to subscribe for Cordlife Singapore shares at no additional consideration upon the approval of the capital reduction exercise.

The bond has a redemption value of A$ 9,802,370, a yield of 15% per annum and a maturity date of 2 years from the date of funding.

The bond agreement contains a default clause that requires the Company to maintain A$7,412,000 in its cash balance within such time as the options granted to the bond holder are exercised. On this basis, the A$7,412,000 received had been classified as restricted cash under other financial assets.

On 30 November 2011, a Deed of Amendment was executed which removed the above requirement, hence, the classification of the $7,412,000 to the cash and cash equivalents. This explained the decrease in other financial assets.

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10. Discontinued operations

(a) ***Details of operations disposed***

No components of the entity have been disposed of in the current half-year reporting period. The discontinued operations below related to the previous half-year reporting period. The discontinued operations was a disposal group at 31 December 2010, and discontinued during the half-year ended 30 June 2011.

On 16 June 2011, the shareholders of the Company approved a capital reduction exercise, implemented by way of a distribution in specie of all the issued ordinary shares in its wholly owned subsidiary, Cordlife Pte Ltd and its subsidiaries ("Cordlife Singapore"). The capital reduction effectively resulted in the demerger of Cordlife Singapore from the Group.

Cordlife Singapore owns the more mature cord blood bank businesses in Singapore and through its subsidiary in Hong Kong. Cordlife Singapore also owns an indirect interest 10% interest in Guangzhou Municipality Tianhe Nuoya Bioengineering Co. Ltd which is the operator of the sole cord blood banking licensee in the Guangdong province in China. Cordlife Singapore formed the stabilised market segment previously disclosed.

At 30 June 2011, the capital reduction exercise was completed and Cordlife Singapore has been disposed of.

(b) ***Financial performance of operations disposed***

The results of the discontinued operations for the prior period half-year until disposal are presented below:

	Half-year ended 31 December 2011	**Half-year ended 31 December 2010**
	$'000	$'000
Revenue	-	10,549
Share of results of associates	-	571
Expenses	-	(6,809)
Loss on disposal of subsidiary	-	-
Profit before tax	-	**4,311**
Tax expense on pre-tax profit excluding disposal	-	(576)
Tax expense on loss of disposal of subsidiary	-	-
Profit from discontinued operations	-	**3,735**
Gain/ (loss) from discontinued operations attributable to:		
Non-controlling interests	-	-
Members of parent	-	3,735
	-	3,735

11 Controlled entities

The consolidated financial statements include the financial statements of Cordlife Ltd and the subsidiaries listed in the following table.

Name of entity	Country of incorporation	Ownership interest 31/12/2011 %	Ownership interest 30/6/2011 %
Parent entity			
Cordlife Ltd	Australia		
Controlled entities			
Cordlife International Pte Ltd	Singapore	100	100
Cordlife Services (S) Pte Ltd	Singapore	100	100
Cordlife Pty Ltd	Australia	100	100
Cordlife Stem Cell Technology Limited	Hong Kong	100^	-
Cordlife Sciences Ltd	Thailand	100	100
Cygenics (Thailand) Ltd*	Thailand	49	49
Cordlife Sciences (India) Pvt Ltd	India	85	85
PT Cordlife Indonesia	Indonesia	65	65
Cordlife Medical Phils Inc	Philippines	100	100
CLS Services B.V.@	Netherlands	100	100
CS Cell Technologies Pte Ltd+	Singapore	100^	-

* Cygenics (Thailand) Ltd is considered a controlled entity as Cordlife Ltd has 99% of the voting rights and share of profits

@ Under liquidation

+ Investment held by Cordlife Services (S) Pte Ltd

^ The entities were incorporated during the year for investment holding purposes.

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12 Segment information

The Group has identified its operating segments based on the internal reports that are reviewed and used by the executive management team (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The operating segments are identified by management based on the manner in which the product is sold, the nature and similarity of services provided, the method of service delivery, gross margin, types of customers and risks associated with the geographical market, as these are the sources of the Group's major risks and has the most effect on the rates of return. Discrete financial information of each of these operating segments is reported to the executive management team on at least a monthly basis.

As a result of the capital reduction exercise and disposal of Cordlife Singapore during the year ended 30 June 2011, management has identified Indonesia, India, Philippines and others as reportable segments. The comparative information has been revised to reflect the changes to the operating segments of the Company.

All segments are in the business of providing cord blood banking services, which involves the processing and storage of stem cells to their respective locations.

The following items and associated assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- Corporate costs
- Share of losses and impairment losses of associates
- Interest income excluding interest income on long-term trade receivables
- Net gains and losses on disposal of subsidiary
- Interest expense
- Share-based payments
- Income tax expense

12 Segment information (continued)

(a) Segment revenue

Half-year ended 31 December 2011

	Indonesia $'000	India $'000	Philippines $'000	Others $'000	Total $'000
Revenue from external customers	551	1,442	680	264	2,937
Commission revenue	251	-	9	-	260
Interest income on long-term trade receivables	36	24	4	-	64
Total allocated revenue					3,261
Unallocated revenue:					
Interest income					199
Total consolidated revenue					3,460

^$193,000 of interest income was derived in the Group's country of domicile, Australia.

Half- year ended 31 December 2010

	Indonesia $'000	India $'000	Philippines $'000	Others $'000	Total $'000
Revenue from external customers	458	661	640	–	1,759
Commission revenue	196	–	5	–	201
Interest income on long-term trade receivables	22	–	–	–	22
Total allocated revenue					1,982
Unallocated revenue:					
Interest income^					116
Total consolidated revenue					2,098

^$35,000 of interest income was derived in the Group's country of domicile, Australia.

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12 Segment information (continued)

(b) Segment results

	Half-year ended 31 December 2011 $'000	Half-year ended 31 December 2010 $'000
Segment losses:		
- India	(524)	(396)
- Philippines	(170)	(232)
- Indonesia	(396)	(879)
	(1,090)	(1,507)
Unallocated income/ (expense):		
Interest income	6	116
Interest expense	(1,561)	–
Corporate costs	(1,435)	(2,526)
Other unallocated	(19)	(43)
Loss from continuing operations before income tax expense	(4,099)	(3,960)
Income tax expense – current tax	(9)	(4)
Loss from continuing operations after income tax expense	(4,108)	(3,964)

	Assets $'000	Liabilities $'000
Segment assets and liabilities		
31 December 2011		
Segment assets and liabilities:		
- India	2,145	2,994
- Philippines	1,361	2,836
- Indonesia	2,365	5,391
Eliminations	(551)	(12,537)
Corporate assets/ liabilities	9,143	6,908
Others	1,348	4,502
Consolidated	15,811	10,094
Segment assets and liabilities		
30 June 2011		
Segment assets and liabilities:		
- India	1,448	2,165
- Philippines	1,288	2,584
- Indonesia	2,376	5,062
Eliminations		
Corporate assets/ liabilities	(478)	(9,575)
Discontinued operations	12,050	5,750
Others	704	1,442
Consolidated	17,388	7,428

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13 Subsequent events

There has not been any matter or circumstance that has arisen since the end of the half-year period that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial periods.

14 Contingent liabilities and contingent assets

Since the last annual reporting date, there have been no material changes in contingent assets or liabilities.

15 Options and Performance Rights Plan

During the financial period no options were granted.

16 Dividends

The company did not pay any dividends during the half-year period. The Directors do not recommend the payment of a dividend in respect of the half-year period.

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Appendix 4D

Half Year Report

1. Company details

Name of entity

Cordlife Ltd

ABN	Half year ended
48 108 051 529	**31 December 2011**

The previous corresponding period refers to the comparative amounts for the half-year period ended 31 December 2010.

2. Results for announcement to the market

					A$'000
2.1 Total revenues	**:**	**up**	**65%**	**to**	**3,460**
2.2 Net (loss)/profit for the period attributable to members	**:**	**up**	**2,270%**	**to**	**(4,029)**
2.3 Dividends	**:**	**Nil**			

Refer to the Review and results of operations in the Directors Report

3. Net tangible assets backing per ordinary security

As at 31 December 2011 : 3.8 cents

As at 31 December 2010 : 27.4 cents

4. Control gained or lost over entities

Please refer to note 11 of the Condensed Half-Year Financial Report

5. Dividends

No dividend was paid during the half-year period. The Directors do not recommend the payment of a dividend in respect of the half-year period.

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6. Dividend reinvestment plans

Not applicable

7. Details of associates and joint venture entities

Not applicable

8. Foreign entities

Please refer to note 11 of the Condensed Half-Year Financial Report.

9. Review of the half year financial report

This report is based on accounts which have been reviewed.

Sign here:

Steven Fang
Singapore

29 February 2012