

Appendix 4D

Half yearly report

Name of Entity	Living Cell Technologies Limited
ACN	14 104 028 042
Financial Year Ended	31 DECEMBER 2005
Previous Corresponding Reporting Period	31 DECEMBER 2004

Results for Announcement to the Market

	\$'000	Percentage increase /(decrease) over previous corresponding period
Revenue from ordinary activities	95	150%
Profit / (loss) from ordinary activities after tax attributable to members	(3,223)	21%
Net profit / (loss) for the period attributable to members	(3,223)	21%
Dividends (distributions)	Amount per security	Franked amount per security
Final Dividend	Nil	Nil
Interim Dividend	Nil	Nil
Previous corresponding period	Nil	Nil
Record date for determining entitlements to the dividends (if any)	N/A	
Brief explanation of any of the figures reported above necessary to enable the figures to be understood:		
Refer Attachment 1.		

The half-yearly report is to be read in conjunction with the most recent annual financial report.

NTA Backing

	Current Period	Previous corresponding period
Net tangible asset backing per ordinary security	4.3 cents per share	6.8 cents per share

Control Gained Over Entities Having Material Effect

Name of entity (or group of entities)	n/a
Date control gained	
Consolidated profit / (loss) from ordinary activities since the date in the current period on which control was acquired	
Profit / (loss) from ordinary activities of the controlled entity (or group of entities) for the whole of the previous corresponding period	

Loss of Control Gained Over Entities Having Material Effect

Name of entity (or group of entities)	n/a
Date control lost	
Consolidated profit / (loss) from ordinary activities for the current period to the date of loss of control	
Profit / (loss) from ordinary activities of the controlled entity (or group of entities) while controlled for the whole of the previous corresponding period	

Details of Associates and Joint Venture Entities

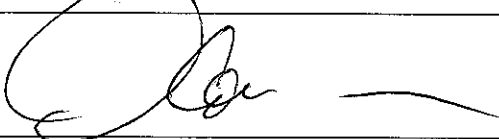
Name of Entity	Percentage Held		Share of Net Profit	
	Current Period	Previous Period	Current Period	Previous Period
Aggregate Share of Net Profits	n/a			

Audit/Review Status

This report is based on accounts to which one of the following applies: (Tick one)			
The accounts have been audited		The accounts have been subject to review	✓
The accounts are in the process of being audited or subject to review		The accounts have not yet been audited or reviewed	
If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification: <p style="text-align: center;">Not Applicable</p>			
If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification: <p style="text-align: center;">Not Applicable</p>			

Attachments Forming Part of Appendix 4D

Attachment #	Details
1	ASX Announcement
2	Interim Financial Report

Signed By (Director/Company Secretary)	
Print Name	David Collinson - Director
Date	16 March 2006

Living Cell Technologies Ltd reports that the consolidated operating loss after income tax for the period 1st July to 31st December 2005 was \$3.22 million (2004 : \$2.66 m). This result, being a 21% increase, is in line with management's expectations and projections.

During the period capital raising activities were completed resulting in share capital increasing by \$4.91 million to \$24.45 million (2004 : \$10.2m to \$19.2m), after share capital raising costs of \$0.87 million (\$0.64m).

The company has continued to extend the research and development activities, for which the capital raised during the period was intended.

Employee costs in the six month period rose from \$1.53 million to \$1.81 million, being an 18% increase, due mainly to additional employee numbers. Other expenses, predominantly spent on the research and development activities of the company increased from \$1.2 million to \$1.4 million, a 17% increase.

As at 31 December 2005 net assets were \$5.00 million (\$6.23 m), with \$4.55 million (\$5.80 m) cash in the bank, compared to \$2.64 million as at 30 June 2005, the end of the last financial year.

LCT continues to focus on finalising its IND application for its NeurotrophinCell product for Huntington's disease. This is following a positive pre-IND meeting with representatives from the US Food and Drug Administration (FDA) and the US National Institutes of Health (NIH) in late 2005.

During this period, LCT received grant approvals from the New Zealand Trade & Enterprise and Cure Kids New Zealand, which will benefit the company's cash position in the future. The cash position outlined in this 4D report will be further boosted through the current capital raising from US and European investors to advance the company's clinical trial program in 2006.

The company's methodology was further validated recently when doctors at Sydney's Prince of Wales Hospital injected a human diabetes patient with insulin-producing human islet cells encased in biocapsules made of seaweed extract. The shortage of human organ donors suggested other sources of cells were needed to treat the estimated waiting list of 130,000 patients in Australia alone, making LCT's specialised reliable and safe cell source a significant asset.