There is a pre-recorded webcast available via:
http://mediaserve.buchanan.uk.com/2011/reneuron300611/registration.asp
This will be activated at 10am on Thursday 30 June 2011

ReNeuron
pioneering stem cell therapeutics

For Immediate Release **Guildford, UK: 30 June 2011**

ReNeuron Group plc
Preliminary Results for the Year Ended 31 March 2011

Operational Highlights

- Commencement of landmark PISCES clinical trial of ReN001 stem cell therapy for stroke:
  - First dose cohort of three patients now treated with no safety issues arising
  - Data Safety Monitoring Board to review first dose cohort follow-up data in August
  - Clinical protocol amendments approved to widen patient eligibility criteria
  - Additional efficacy evaluation measures planned based on early observations in first dose cohort

- Emerging data from PISCES trial and extensive pre-existing data package drives decision to accelerate testing of ReNeuron's lead *CTX* stem cell line in other categories of stroke and other major neurological conditions including Alzheimer's disease

- Further positive pre-clinical efficacy data presented with ReN009 stem cell therapy for peripheral arterial disease

- License agreement recently signed with US-based Schepens Eye Research Institute to develop and commercialise ReN003 retinal stem cell therapies

- Applications to commence clinical trials planned across all of the Company's therapeutic programmes in second half of 2012 to build emerging clinical pipeline of high value stem cell therapies

- Further pre-clinical data presented regarding the multiple mechanisms by which *CTX* stem cells may promote recovery from brain damage caused by stroke and other conditions

- Stem cell contract manufacturing arrangements expanded through deal with NHS Blood and Transplant, with further cell manufacturing deals planned in the US

- Senior management strengthened, with further hires at senior management and non-executive Board level planned

Financial Highlights (Unaudited)

- Share placing and share subscription in the year raised £10 million, before expenses, providing pre-clinical and clinical development funding for core therapeutic programmes to late 2012

- Loss for the year increased to £6.1 million (2010: £3.6 million pre-exceptional items; £5.9 million post-exceptional items), reflecting initial clinical costs in stroke programme, increased late pre-clinical activity on other core therapeutic programmes and non-recurring legal and professional fees

- Cash used in operations increased to £5.5 million (2010: £3.3 million), reflecting the above cost increases

- Cash and cash equivalents at 31 March 2011 of £9.7 million (2010: £5.5 million), reflecting the above financing activities

Commenting on the results, Professor Trevor Jones, Chairman, said:

"The year under review has been a landmark one for ReNeuron. The commencement of patient dosing in the PISCES clinical trial of our ReN001 stroke therapy has placed ReNeuron at the forefront of the development of treatments for disabled stroke patients using neural stem cells. The therapy appears to be well-tolerated by the first dose cohort of patients in the clinical trial and we look forward to providing further updates later in the year.

"Our other core therapeutic programmes continue to make good progress towards the clinic and we are pursuing further opportunities to exploit the therapeutic potential of our lead *CTX* stem cell line in other neurological conditions. As we gather further clinical data from the PISCES stroke trial over the coming year and complete the pre-clinical development of our other therapeutic programmes, we intend to focus our resources on an emerging clinical pipeline of stem cell therapies offering the greatest potential for clinical benefit, commercial development and consequent value generation for the business."

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Chairman's and Chief Executive Officer's Joint Statement

Review of Operations

ReN001 stem cell therapy for stroke

During the year, we commenced our landmark first-in-man clinical trial of our ReN001 stem cell therapy for stroke disability, the most significant milestone in the Company's history thus far. The PISCES study (Pilot Investigation of Stem Cells in Stroke) is the world's first fully regulated clinical trial of a neural stem cell therapy for disabled stroke patients. ReNeuron is the first company to have received regulatory approval for any stem cell-based clinical trial in the UK. The trial is being conducted in conjunction with the University of Glasgow and through NHS Scotland at the Institute of Neurological Sciences, Southern General Hospital, Greater Glasgow and Clyde NHS Board.

In this Phase I single administration dose escalation study, our ReN001 stem cell therapy is being administered to a total of 12 stroke patients who have been left disabled by an ischaemic stroke, the most common form of the condition. The aim of the study is to test the safety and tolerability of the treatment in progressive doses while evaluating efficacy measures for the design of future clinical trials with ReN001, including structural and functional MRI imaging measures as well as a number of tests of sensory, motor and cognitive functions.

The first dose cohort of three patients in the PISCES clinical trial has been treated with ReN001. All three patients were safely discharged from hospital two days after the straightforward neurosurgical procedure used to administer the ReN001 cells. To date, the first patient has been assessed at six months post-treatment, the second patient at three months and the third patient at one month. All three patients remain well, with no cell-related adverse events reported. The independent Data Safety Monitoring Board (DSMB) for the clinical trial is expected to review data from the first dose cohort in late August when the third patient has reached his three month assessment point and we will give a further update at that time. Although the PISCES clinical trial is still at a relatively early stage, we are greatly encouraged by the progress of the patients in the trial to date.

Furthermore, since the commencement of the trial, we have been able to agree a number of amendments to the clinical trial protocol with the regulatory authorities, including approval to broaden the eligibility criteria in the trial to capture more potential participants. We will continue to work with the regulatory authorities to further refine the protocol as the clinical trial progresses. In particular, and based on early observations in the first dose cohort, we intend to seek approval to introduce additional and more frequent efficacy evaluation measurements of the patients in the clinical trial.

Assuming the DSMB gives approval for the trial to move on to a higher dose cohort as a result of their review of the data from the first dose cohort, we expect that this higher dose cohort of three further patients will have been treated by the end of this year, assuming no significant recruitment delays. The remaining dose cohorts in the PISCES clinical trial are expected to be treated over the course of 2012, by which point we intend to have discussed and agreed our subsequent clinical development strategy for ReN001 with the relevant regulatory authorities both in the UK and beyond. Subject to ongoing regulatory interactions and a continuation of encouraging data emanating from the PISCES clinical trial, we intend to pursue an accelerated clinical development pathway with ReN001, focusing on particular stroke patient groups who are expected to most benefit from the therapy.

As a consequence of the commencement of the PISCES clinical trial, both ReNeuron's Guildford facility and the clinical site in Glasgow were recently the subject of a routine GCP (Good Clinical Practice) inspection by the MHRA GCP Inspectorate. We were delighted by the small number of findings in the inspection report, all of which were non-critical in nature and are readily addressable. The inspectors were also kind enough to compliment the Glasgow team in particular on their professionalism in the conduct of the trial and the high quality of the clinical trial documentation.

Other therapeutic programmes

Our knowledge of the mechanisms of action of our lead *CTX* stem cell line, together with the extensive pre-clinical data already generated with this cell line and the encouraging early data emerging from the PISCES stroke trial, have driven our decision to accelerate the testing of this cell line in earlier phases of ischaemic stroke damage and in other major neurological conditions such as Alzheimer's disease where we believe those mechanisms of action may also be relevant. This is with a view to commencing further clinical trials in these indications as quickly as possible, thereby taking full advantage of the data we have, and will continue to generate, regarding the *CTX* cell line.

Our ReN009 stem cell therapy for peripheral arterial disease (PAD) continued to make good progress along its pre-clinical development pathway during the year. PAD is a chronic and debilitating disease that progressively restricts blood flow in the limbs, causing cramping, chronic pain and, in extreme cases, loss of limb. The disease is commonly associated with other conditions such as diabetes, obesity and stroke. At least 1 in 20 people over the age of 50 have some degree of PAD and it becomes more common with increasing age.

During the year, our academic collaborators on the ReN009 programme at the Bristol Heart Institute presented further positive pre-clinical efficacy data with ReN009 at the prestigious American Heart Association Scientific Sessions 2010 in Chicago. The study presented showed that our *CTX* stem cell line produced a significant and dose-dependent recovery of blood flow to the ischaemic limb in a recognised diabetic mouse model of hind limb ischaemia, a result consistent with that seen in earlier pre-clinical studies. We are in the process of refining the cryopreserved *CTXcryo*^{TM} cell formulation that we intend to use clinically in this indication. We have received guidance from regulatory authorities in both the UK and the US regarding the ReN009 programme and, based on this, we are progressing the remaining pre-clinical studies and cGMP cell manufacturing campaign necessary to complete the regulatory data package to be submitted for clinical trial approvals in due course.

We also made good progress in the year with our ReN003 stem cell therapy programme focused on diseases of the retina. This programme is being conducted in collaboration with the Schepens Eye Research Institute at Harvard Medical School. Schepens recently announced that it is to join forces with the Massachusetts Eye and Ear Infirmary in Boston, US, to create the world's largest pre-clinical and clinical ophthalmology research centre. We have been collaborating with Schepens in the early development of our human retinal precursor cells (hRPCs). Based on the successful results of this initial collaboration, we recently announced the signing of a patent and know-how license agreement with Schepens through which ReNeuron has secured the relevant intellectual property rights to develop and commercialise its hRPCs in the field of human retinal stem cell therapeutics.

We are continuing to collaborate closely with the Schepens to take our ReN003 programme through late pre-clinical development and into an initial clinical trial in patients suffering from retinitis pigmentosa, a blindness-causing disease caused by degeneration of the photoreceptor cells in the retina. Researchers at Schepens have already published data describing the ability of the hRPCs to integrate with host retinal tissue in rodent models of damaged retina and differentiate into the light-sensitive rod cells found in healthy retina. Subsequently, a novel and highly efficient proprietary cell expansion process has recently been optimised which does not involve genetic modification or other similar manipulation of the hRPCs. We are currently using this expansion technology to grow and bank clinical-grade hRPCs to the quantities required for future clinical studies.

The initial phase of ReNeuron's collaboration with Schepens has benefited from an industrial grant from a major US specialty healthcare company and ReNeuron intends to build upon this programme-specific funding as further late pre-clinical data emerges over the coming months. Importantly, although retinitis pigmentosa is the initial target disease, the hRPCs developed in the programme will almost certainly be applicable as cell therapy candidates for other blindness-causing diseases, such as age-related macular degeneration and diabetic retinopathy.

Subject to the results of further pre-clinical studies, clinical data from the PISCES stroke trial and further regulatory interactions, we expect to be in a position in the latter part of 2012 to file a number of new applications to commence clinical trials across all of our current development programmes using both *CTX* neural stem cells and hRPC retinal stem cells. As a result, we intend to prioritise these development programmes as necessary when further data emerges over the coming year. This approach will ensure that our resources are focused on a clinical pipeline of stem cell therapies offering the highest potential for clinical benefit and subsequent commercial development partnerships and value realisation for the business.

Other activities

During the year, we presented new pre-clinical data regarding the mechanisms of action of our *CTX* stem cell line at the UK National Stem Cell Network Annual Scientific Conference in Nottingham, UK. These data built on previously presented research findings regarding the way in which our *CTX* cell line may assist the body's own repair mechanisms in vascular conditions such as stroke and peripheral arterial disease and suggest that a number of repair mechanisms may be at work post-implantation of the cells. The results from one series of studies suggest that the *CTX* cells may play a role in promoting functional recovery from stroke damage in the brain through up-regulation of angiogenesis, a process whereby new blood vessels develop from pre-existing vasculature in the region of ischaemic brain damage. In a series of further studies, the *CTX* cells were seen to inhibit T cell activation, suggesting that the *CTX* cells may act to suppress the inflammatory response associated with brain damage, thereby aiding the natural healing processes in the brain.

In October 2010, we were pleased to be given the opportunity to participate in an important stem cell consortium round-table meeting, hosted by the California Institute of Regenerative Medicine, at which leading businesses and academics in the stem cell field came together with representatives from the FDA to share expertise and gain insights into the challenges involved in taking ground-breaking stem cell therapies through pre-clinical development and into the clinic.

We were also pleased to be able to settle an intellectual property dispute with Neuralstem, Inc. during the year, on terms that fell within our existing financial forecasts.

Shortly after the end of the year, we extended our collaborative activities with the UK National Health Service by signing an agreement with NHS Blood and Transplant (NHSBT) to develop and manufacture our *CTXcryo*^{TM} stem cell product to clinical and commercial grade standards. The *CTXcryo*^{TM} cell product is a second-generation, cryopreserved formulation of our lead *CTX* stem cell line, enabling the cells to be frozen down for storage and distribution and simply thawed when required at the point of clinical use. We are also currently negotiating contract manufacturing arrangements in the US in order to meet the future clinical development needs of both our *CTX* neural stem cell and hRPC retinal stem cell products.

During the year and subsequently, we have strengthened the Company's management capability in both cell manufacturing development and regulatory affairs. We are also in the process of strengthening our clinical and business development capabilities at senior executive and non-executive Board level and we look forward to making further announcements shortly in this regard.

Funding

In December 2010, we announced that the Company had raised £10 million, before expenses, by means of an over-subscribed share placing to new and existing investors and a share subscription by the Directors of the Company. As a result of this financing, we expect our existing cash resources will be sufficient to support current operations into the final quarter of 2012. Consequently, the going concern basis has been adopted in the preparation of these financial statements.

Summary of results

In the year to 31 March 2011, revenues were £29,000 (2010: £31,000), representing royalty income from the Group's non-therapeutic licensing activities.

Operating expenses were £6.8 million in the year (2010: £4.0 million before exceptional items; £6.3 million post-exceptional items). Research and development expenditure increased in the year to £3.8 million (2010: £2.1 million before exceptional items; £4.4 million post-exceptional items), due principally to an increase in costs relating to the ReN001 stroke programme arising from commencement of the PISCES clinical trial and also increases in pre-clinical development costs associated with the ReN009 peripheral arterial disease programme. General and administrative costs increased in the year to £3.1 million (2010: £1.9 million), due principally to non-recurring litigation costs associated with running and subsequently settling the intellectual property dispute with Neuralstem, Inc.

Other operating income of £135,000 (2010: £34,000) represents grant income received during the year. Interest received increased in the year to £29,000 (2010: £11,000) as a result of higher levels of cash held on deposit during the year. Interest costs decreased to £2,000 in the year (2010: £12,000).

The Group accrued a research and development tax credit of £0.49 million during the year (2010: £0.37 million), reflecting the increases in clinical and pre-clinical activity noted above.

As a result of the above income statement movements, the post-tax loss for the year increased to £6.1 million (2010: £3.6 million pre-exceptional items; £5.9 million post-exceptional items). The basic and fully-diluted loss per share decreased to 1.3p in the year (2010: 1.8p) due to a higher weighted average number of ordinary shares in issue during the year as a result of the Group's equity-based fundraising activities.

Net cash used in operations increased in the year to £5.5 million (2010: £3.3 million), due principally to the increase in cash-based operating expenses in the year, partly mitigated by an improved working capital position.

As a result of the above cash flow movements and financing activities in the year, the Group had cash and cash equivalents totalling £9.7 million as at 31 March 2011 (2010: £5.5 million).

Summary and outlook

The year under review has been a landmark one for ReNeuron. The commencement of patient dosing in the PISCES clinical trial of our ReN001 stroke therapy has placed ReNeuron at the forefront of the development of treatments for disabled stroke patients using neural stem cells. The therapy appears to be well-tolerated by the first dose cohort of patients in the clinical trial and we look forward to providing further updates later in the year.

Our other core therapeutic programmes continue to make good progress towards the clinic and we are pursuing further opportunities to exploit the therapeutic potential of our lead *CTX* stem cell line in other neurological conditions. As we gather further clinical data from the PISCES stroke trial over the coming year and complete the pre-clinical development of our other therapeutic programmes, we intend to focus our resources on an emerging clinical pipeline of stem cell therapies offering the greatest potential for clinical benefit, commercial development and consequent value generation for the business.

Professor Trevor Jones
Chairman

Michael Hunt
Chief Executive Officer

30 June 2011

ReNeuron Group plc
Consolidated Statement of Comprehensive Income for the year ended 31 March 2011

	Note	**2011 Unaudited**	2010 Audited Pre-exceptional items	2010 Audited Exceptional items	2010 Audited Total
		£'000	£'000	£'000	£'000
Revenue		**29**	31	-	31
Research and development costs	4	**(3,763)**	(2,078)	(2,291)	(4,369)
General and administrative costs		**(3,067)**	(1,914)	-	(1,914)
Other operating income		**135**	34	-	34
Operating loss		**(6,666)**	(3,927)	(2,291)	(6,218)
Finance income		**29**	11	-	11
Finance costs		**(2)**	(12)	-	(12)
Loss before income taxes		**(6,639)**	(3,928)	(2,291)	(6,219)
Tax credit on loss on ordinary activities		**491**	369	-	369
Loss and total comprehensive loss for the year		**(6,148)**	(3,559)	(2,291)	(5,850)
Total loss and total comprehensive loss attributable to:					
- Equity owners of the Company		**(6,148)**	(3,559)	(2,291)	(5,850)
Basic and diluted loss per ordinary share	5	**(1.3p)**			(1.8p)

ReNeuron Group plc

Statement of Financial Position **As at 31 March 2011**	**2011** **Unaudited** **£'000**	2010 Audited £'000
Assets		
Non-current assets		
Property, plant and equipment	**419**	541
Intangible assets	**1,272**	1,272
Other non-current assets	**135**	135
	1,826	1,948
Current assets		
Trade and other receivables	**358**	284
Corporation tax receivable	**491**	366
Cash and cash equivalents	**9,668**	5,525
	10,517	6,175
Total assets	**12,343**	8,123
Equity		
Equity attributable to owners of the company		
Share capital	**6,199**	4,377
Share premium	**28,811**	21,310
Capital redemption reserve	**8,964**	8,964
Merger reserve	**2,223**	2,223
Warrant reserve	**108**	108
Share-based credit reserve	**1,271**	876
Retained deficit	**(36,574)**	(30,426)
Total equity	**11,002**	7,432
Liabilities		
Non-current liabilities		
Provisions	**100**	75
Financial liabilities: finance leases	**9**	19
	109	94
Current liabilities		
Trade and other payables	**1,222**	587
Financial liabilities: finance leases	**10**	10
	1,232	597
Total liabilities	**1,341**	691
Total equity and liabilities	**12,343**	8,123

ReNeuron Group plc Consolidated Statement of Changes in Equity	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Merger reserve £'000	Warrant reserve £'000	Share-based credit reserve £'000	Retained deficit £'000	Total equity £'000
As at 1 April 2009 (Audited)	**1,542**	**14,358**	**8,964**	**2,223**	**583**	**504**	**(24,689)**	**3,485**
Issue of new ordinary shares	2,678	7,385	-	-	-	-	-	10,063
Costs of share issue	-	(746)	-	-	-	-	-	(746)
Conversion of convertible loan to equity	157	313	-	-	(470)	-	-	-
Share-based credit	-	-	-	-	-	372	-	372
Issue of warrants	-	-	-	-	108	-	-	108
Expiry of warrants	-	-	-	-	(113)	-	113	-
Loss for the year and total comprehensive loss	-	-	-	-	-	-	(5,850)	(5,850)
As at 31 March 2010 (Audited)	**4,377**	**21,310**	**8,964**	**2,223**	**108**	**876**	**(30,426)**	**7,432**
Issue of new ordinary shares	1,822	8,197	-	-	-	-	-	10,019
Costs of share issue	-	(696)	-	-	-	-	-	(696)
Share-based credit	-	-	-	-	-	395	-	395
Loss for the year and total comprehensive loss	-	-	-	-	-	-	(6,148)	(6,148)
As at 31 March 2011 (Unaudited)	**6,199**	**28,811**	**8,964**	**2,223**	**108**	**1,271**	**(36,574)**	**11,002**

ReNeuron Group plc

Consolidated Statement of Cash Flows

for the year ended 31 March 2011

	Note	2011 Unaudited £'000	2010 Audited £'000
Cash used in operations	6	**(5,515)**	(3,328)
Interest paid		**(2)**	(4)
Income tax credit received		**369**	703
Cash outflow from operating activities		**(5,148)**	(2,629)
Cash flows from investing activities			
Capital expenditure		**(32)**	(8)
Loans provided to subsidiaries		**-**	-
Interest received		**29**	11
Net cash (consumed)/generated in investing activities		**(3)**	3
Cash flows from financing activities			
Finance lease principal payments		**(10)**	(13)
Proceeds from issuance of ordinary shares		**10,000**	7,842
Costs of share issue		**(696)**	(621)
Net cash generated by financing activities		**9,294**	7,208
Net increase in cash and cash equivalents		**4,143**	4,582
Cash and cash equivalents at the start of year		**5,525**	943
Cash and cash equivalents at the end of year		**9,668**	5,525

Notes to the financial information
for the year ended 31 March 2011

1. General information

ReNeuron Group plc ("the Company") and its subsidiaries (together "the Group") are engaged in the research and development of therapies using stem cells. The Company is a public limited company incorporated and domiciled in England with registered number 05474163 and its shares are listed on the AIM stock market.

The unaudited financial information included in this preliminary results announcement for the year ended 31 March 2011 and audited financial information for the year ended 31 March 2010 does not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006, but has been extracted from the statutory financial statements for the year ended 31 March 2011 which will be delivered to the Registrar of Companies in due course. Statutory accounts for the year ended 31 March 2010 were approved by the Board of directors and delivered to the Registrar of Companies. Whilst the report of the auditors on those accounts was unqualified, it did contain a material uncertainty in respect of going concern but did not contain any statement under section 498 of the Companies Act 2006.

2. Accounting policies and basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, the interpretations of International Financial Reporting Interpretations Committee (IFRIC) and the Companies Act 2006 applicable to companies reporting under IFRS.

Whilst the financial information included in this preliminary announcement has been prepared in accordance with (IFRSs), this announcement does not itself contain sufficient information to comply with IFRSs. The preliminary announcement should be read in conjunction with the annual financial statements for the year ended 31 March 2011, which have also been prepared in accordance with IFRSs as adopted by the European Union.

The financial statements have been prepared on a historical cost basis. The accounting policies used in the preparation of these unaudited financial statements are consistent with those used in the preparation of the audited financial statements for the year ended 31 March 2010, except as described below.

A number of new and amended standards became effective for periods beginning on or after 1 January 2010. The principal changes that are relevant to the Group are:

IAS 27 (revised), 'Consolidated and separate financial statements' (effective 1 July 2009). This requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control. They will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognised in profit or loss.

Amendment to IFRS 2, 'Share-based payments – Group cash-settled payment transactions' (effective 1 January 2010). These amendments provide a clear basis to determine the classification of share-based payment awards in consolidated and separate financial statements. The amendment incorporates IFRIC 8, 'Scope of IFRS 2', and IFRIC 11, 'IFRS 2 – Group and treasury share transactions', into the standard; expands on the guidance given in IFRIC 11 to address plans that were not considered in the interpretation; and clarifies the definitions section of IFRS 2.

Annual improvements to IFRSs (2009) (effective 1 January 2010). This is a collection of amendments to standards as part of the IASB's programme of annual improvements. The standards relevant for the Group are:

- IFRS 2, 'Share based payment'.
- IFRS 8, 'Operating segments'.
- IAS 1, 'Presentation of financial statements'.
- IAS 7, 'Statement of cash flows'.
- IAS 17, 'Leases'.

- IAS 18, 'Revenue'.
- IAS 36, 'Impairment of assets'.
- IAS 38, 'Intangible assets'.

These new and amended standards have not had a material impact on the presentation of the Group's financial statements compared to the prior year.

3. Going concern

The financial statements have been prepared on a going concern basis, which assumes that sufficient funds will be available for the Company and Group to continue in operational existence for the foreseeable future.

The Group is developing its technologies for the marketplace and as such absorbs cash until sufficient funds from either licensing or products sold are generated. The directors estimate that the cash held by the Group will be sufficient to support the current level of activities into the final quarter of 2012.

4. Research and development costs

All research and development costs incurred in the year have been charged directly to the income statement.

5. Basic and diluted loss per ordinary share

The basic and diluted loss per share is calculated by dividing the loss for the financial year of £6,148,000 (2010: £5,850,000) by 486,506,803 shares (2010: 327,168,945 shares), being the weighted average number of ordinary 1p shares in issue during the year.

Potential ordinary shares are not treated as dilutive as the entity is loss making.

6. Cash used in operations

	Year ended 31 March 2011	Year ended 31 March 2010
	Unaudited	Audited
	£'000	£'000
Loss before income tax	**(6,639)**	(6,219)
Adjustment for:		
Interest received	**(29)**	(11)
Interest payable	**2**	12
Depreciation of property, plant and equipment	**154**	157
Exceptional items	**-**	2,291
Provision movement	**25**	25
Share-based payment charges	**395**	480
Fees payable in ordinary shares	**19**	-
Changes in working capital		
Receivables	**(77)**	40
Payables	**635**	(103)
Cash used in operations	**(5,515)**	(3,328)

Notes to Editors

ReNeuron is a leading, clinical-stage stem cell business. Its primary objective is the development of novel stem cell therapies targeting areas of significant unmet or poorly met medical need.

ReNeuron has used its unique stem cell technologies to develop cell-based therapies for significant disease conditions where the cells can be readily administered "off-the-shelf" to any eligible patient without the need for additional immunosuppressive drug treatments. ReNeuron's lead candidate is its ReN001 stem cell therapy for the treatment of patients left disabled by the effects of a stroke. This therapy is currently in clinical development. The Company is also developing stem cell therapies for other conditions such as peripheral arterial disease, a serious and common side-effect of diabetes, and blindness-causing diseases of the retina.

ReNeuron has also developed a range of stem cell lines for non-therapeutic applications – its *ReNcell®* products for use in academic and commercial research. The Company's *ReNcell®CX* and *ReNcell®VM* neural cell lines are marketed worldwide under license by USA-based Merck Millipore.

ReNeuron's shares are traded on the London AIM market under the symbol RENE.L. Further information on ReNeuron and its products can be found at www.reneuron.com.

This announcement contains forward-looking statements with respect to the financial condition, results of operations and business achievements/performance of ReNeuron and certain of the plans and objectives of management of ReNeuron with respect thereto. These statements may generally, but not always, be identified by the use of words such as "should", "expects", "estimates", "believes" or similar expressions. This announcement also contains forward-looking statements attributed to certain third parties relating to their estimates regarding the growth of markets and demand for products. By their nature, forward-looking statements involve risk and uncertainty because they reflect ReNeuron's current expectations and assumptions as to future events and circumstances that may not prove accurate. A number of factors could cause ReNeuron's actual financial condition, results of operations and business achievements/performance to differ materially from the estimates made or implied in such forward-looking statements and, accordingly, reliance should not be placed on such statements.