

# VIACELL, INC.

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**FOR IMMEDIATE RELEASE**

## **ViaCell Announces Expansion of ViaCord Processing Laboratory**

**Cambridge, MA (September 18, 2007)** – ViaCell, Inc. (Nasdaq: VIAC) today announced that it is expanding its ViaCord Processing Facility (VPL), the Company’s state-of-the-art cord blood processing and storage facility. The expansion of VPL will support anticipated future demand of ViaCord®, its product offering for the preservation of cord blood. ViaCell will conduct renovations in the newly leased space in order to meet its planned cord blood processing and storage needs for the coming years. The expansion is expected to be completed in the first quarter of 2008.

“The expansion of our cord blood processing facility will more than double our storage capacity and positions us to meet increasing demand for ViaCord,” said Jim Corbett, President of ViaCell Reproductive Health.

ViaCord has been successfully processing cord blood since 1995 and processing cord blood at VPL since 2002. This facility is AABB accredited and incorporates industry-leading standards, including a closed processing system, storage of cord blood with multiple attached segments, use of the only-FDA cleared process automation equipment and laboratory testing performed in accordance with Clinical Laboratory Improvement Amendments (CLIA) regulations.

### **About Umbilical Cord Blood**

Umbilical cord blood is a valuable, non-controversial source of stem cells with proven therapeutic effect in treating over 40 diseases. These diseases include various forms of cancer, such as Acute Lymphoblastic Leukemia (ALL) and Non-Hodgkin’s lymphoma; certain bone marrow failure syndromes, such as severe aplastic anemia and Diamond Blackfan anemia; certain blood disorders such as sickle cell anemia, thalassemia; and other genetic disorders. Over 8,000 cord blood transplants have been performed worldwide. Studies have shown that umbilical cord blood transplants from a family member, rather than from a non-relative, have a significantly higher survival rate than transplants from an unrelated donor.

### **About ViaCord**

ViaCord allows expectant families the opportunity to preserve their baby’s umbilical cord blood for potential medical use by the child or a related family member. The child’s cord blood is collected at the time of birth in the only FDA-approved cord blood collection bag suitable for use in a sterile field. To date, ViaCord has preserved over 130,000 newborn’s umbilical cord blood. Additional information about ViaCord is available online at <http://www.viacord.com>.

### **About ViaCell**

ViaCell, Inc. is a biotechnology company dedicated to enabling the widespread application of human cells as medicine. The Company markets ViaCord®, a product offering through which families can preserve their baby’s umbilical cord blood at the time of birth for possible future medical use in treating over 40 diseases including certain blood cancers and genetic diseases. The Company is also working to leverage its commercial infrastructure and product development capabilities by developing ViaCyte<sup>SM</sup>, a product candidate being studied for its potential to broaden reproductive choices for

women through the cryopreservation of human unfertilized eggs. ViaCell also conducts research and development primarily to investigate other potential therapeutic uses of umbilical cord blood-derived stem cells and on technology for expanding populations of these cells. ViaCell's pipeline is focused in the areas of cancer, cardiac disease, and diabetes. Additional information about ViaCell is available online at <http://www.viacellinc.com>.

**Risks of Forward-Looking Statements**

This press release contains forward-looking statements regarding the Company's expectations with respect to its ViaCord product offering and timing for completion of the expansion of ViaCord Processing Laboratory. These statements are based on management's current expectations, and are subject to a number of risks and uncertainties that could cause actual results to differ materially from the Company's current expectations. For example, the Company's expectations with respect to ViaCord may be negatively affected by the impact of competition in the umbilical cord preservation industry, any changes in market acceptance for family cord blood banking, any slowing of growth of the family cord blood banking market, the impact of any potential adverse outcome in pending patent infringement litigation related to the cord blood preservation business, any further impact of a third party's dispute with Mothers Work related to the rights granted to the Company, including if a court were to vacate the arbitrator's decision, and any unexpected material issues, delays or failures in the collection, processing or storage of umbilical cord blood by the Company or others in the industry. In addition, the Company's expectations for the completion of the expansion may be impacted by, among other things, unexpected delays in planned construction work in the new space and in obtaining the requisite permits and other approvals necessary to complete the construction work and begin operations in the new space. For more detailed information on the risks and uncertainties associated with these forward-looking statements and the Company's other activities, see the periodic reports filed by the Company with the Securities and Exchange Commission. The Company does not undertake any obligation to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise.

ViaCell<sup>®</sup> and ViaCord<sup>®</sup> are registered trademarks and ViaCyte<sup>SM</sup> is a service mark of ViaCell, Inc.

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