



Interim Report
January to June 2014

Overview of Key Financial Figures

		04/01- 06/30/2014	04/01- 06/30/2013	01/01- 06/30/2014	01/01- 06/30/2013
STEM CELL PREPARATIONS					
Storages of Umbilical cord blood and cord tissue	Number	1,736	1,956	3,395	3,570
PROFIT/LOSS					
Total operating income	EUR k	3,113	3,566	6,601	6,904
Revenues	EUR k	2,877	3,332	6,090	6,502
Gross profit	EUR k	1,624	1,798	3,488	3,680
EBITDA	EUR k	231	556	819	898
EBITDA margin ¹	%	8.0	16.7	13.4	13.8
Net operating profit/loss (EBIT)	EUR k	-16	252	294	308
Period result	EUR k	-90	88	114	68
Earnings per share ²	EUR	-0.02	0.04	0.05	0.04
BALANCE SHEET/CASH FLOW				06/30/2014	06/30/2013
Total assets	EUR k			35,372	35,039
Equity	EUR k			21,406	20,562
Equity ratio	%			60.5	58.7
Liquid funds	EUR k			3,314	2,625
Capital expenditures ³	EUR k	117	344	239	514
Depreciation ³	EUR k	247	304	525	590
Cash flow from operating activities	EUR k	-140	484	456	651
EMPLOYEES					
Employees (as of 30 June)	Number			106	99
Personnel expenditures	EUR k			2,338	2,235

¹ Information refers to revenues

² Information for the period result attributable to ordinary equity holders of the parent

³ Information for tangible and intangible assets

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Dear Shareholders,

In the first half-year of 2014 we continued to work on the implementation of our growth strategy, which is based on three pillars: Market penetration and opening, the development of our product range, as well as the expansion of our research initiatives.

The focal point of our activities in the first half year was represented by attaining an official permit for the collection of umbilical cord tissue at additional partner clinics in Germany, as well as the introduction of umbilical cord tissue storage with our European cooperative partners. The foreseen positive effects, however, have not been fully achieved yet: In order to enter into contracts for the collection of umbilical cord tissue with additional partner clinics, we are currently going through a complex and time consuming process. We have applied for permits for tissue collection with the 27 responsible agencies within Germany. By the end of the reporting period, Vita 34 had received this permit from several agencies. The potential offered to us by „VitaPlusNabelschnur“ [VitaPlusCord] additional product that is unique on the German market, has not yet been fully available to us. We have made great strides in penetrating the southern and eastern European markets (not including Spain). The ongoing difficult economic environment in these countries is leading to a slow, but fortunately continuous growth in our revenues, which should continue for the time being.

These developments had an effect on the number of new storages in the first half-year 2014. At 3,395 stem cell preparations, the storage figures were 4.9 percent lower than the reference period 2013. We have been successful in further shaping the development of Vita 34 positively thanks to the cost reduction measures introduced in 2013. This is also reflected in our key financial figures: The period result increased by 67 percent to EUR 114k as compared with EUR 68k in the prior year's period, although the total operating income in the reporting period was EUR 6.6 million (prior year: EUR 6.9 million) and revenues totaled EUR 6.1 million following EUR 6.5 million in the prior year's period. Fortunately, earnings before interest, taxes, depreciation and amortization (EBITDA) of EUR 0.8 million approached the prior year's level (first half-year 2013: EUR 0.9 million). The earnings before interest and taxes (EBIT) of EUR 0.3 million were also at the prior year's level (first half-year 2013: EUR 0.3 million).

We were also active in applied research in Q2 in cooperation with renowned research institutes and universities. We have further expanded our activities in the Biotechnology segment during the reporting period with research projects involving the cryo-preservation of autologous fatty tissue, as well as the development of processes for the optimized extraction of plant agents. We are pursuing the objective of establishing new products on the basis of stem cells, and developing new products for the pharmaceuticals industry.

Even if we have not yet attained the planned increase in profits in the reporting period, we consider ourselves to be well positioned to shape the development of Vita 34 in a positive and sustainably profitable manner on an ongoing basis.

We will continue with strength and motivation to pursue the set goal of establishing Vita 34 even more strongly as an internationally leading provider of products based on stem cells. Currently, with nearly 106,000 stem cell preparations, Vita 34 is by far the largest stem cell bank in the German-speaking countries. Based on this already leading market position, we are consistently taking advantage of all opportunities to implement our strategic direction.

We would like to sincerely thank our shareholders for their trust in Vita 34, and hope that they will continue to accompany us.

Leipzig, July 2014



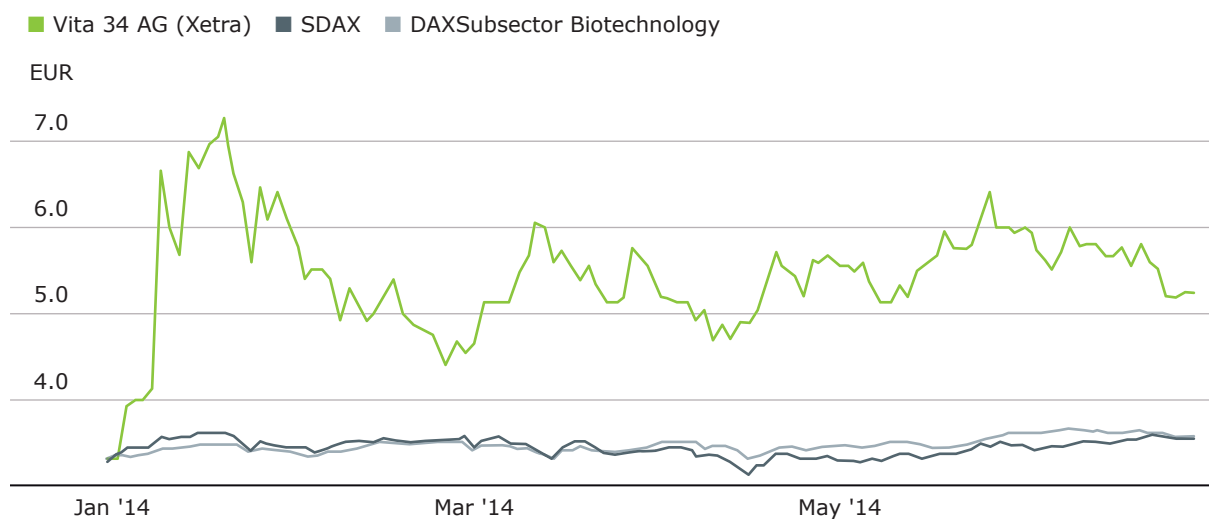
Dr. André Gerth
CEO



Jörg Ulbrich
CFO

Vita 34 AG Stock

Share Price Development (1 January 2014 – 30 June 2014)



Share Price Development

Vita 34 AG is listed in the regulated market (segment: Prime Standard) of the Frankfurt Stock Exchange. On the first trading day of 2014 the stock started the fiscal year with a price of EUR 3.31. After a clear upward movement over the course of the month of January, the stock price reached its high of EUR 7.30 for the first-half year of 2014 on 22 January 2014. In the remaining time the share price dropped to EUR 4.41 on 26 February 2014 but swung back up above the EUR 5.00 mark in March again. The price hit its low of EUR 4.70 in Q2 on April 9th and 11th, 2014. In the further course of the first half-year the stock price had

a continuously positive trend, and ended on 30 June 2014 at EUR 5.25. This is equivalent to an increase of some 58.5 percent over the course of the first half-year and a market capitalization of EUR 15.9 million at the end of the reporting period.

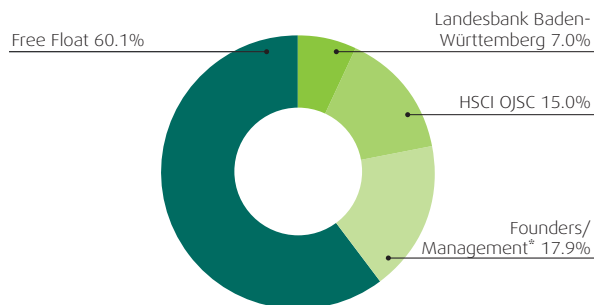
The average trading volume increased significantly in the first half-year with some 30,000 shares per trading day as compared with some 8,000 shares per trading day in the prior year's period.

Informationen und Kennzahlen zur Aktie

Ticker symbol/ Reuters symbol	V3V/ V3VGn.DE
Securities number/ISIN	A0BL84/DE000A0BL849
Initial quotation	27 March 2007
Market segment	Prime Standard
Indices	CDAX, Prime All Share, Technology All Share, DAXsubsector Biotechnology, DAXsector Pharma & Healthcare
Opening/Closing Price	EUR 3.31/EUR 5.25
High/Low	EUR 7.30/EUR 3.31
Number of shares	3,026,500
Free-float as of 30 June 2014:	60.1 percent
Market capitalization as of 30 June 2014	EUR 15.9 million
Designated Sponsor	Close Brothers Seydler Bank

Shareholder Structure

as of 30 June 2014



* Founders/Management with a share of 5% or more

Coverage of the Vita 34 Stock

In Q2 2014 the analysts at Close Brothers Seydler Research AG (CBS Research) began coverage of the Vita 34 stock. In their initial research study dated 13 May 2014, the analysts issued a buy recommendation with a target price of EUR 7.10. The analysts identified advances in the development of therapies using stem cells from umbilical cord blood and tissue, as well as a growing number of stem cell transplants, as major drivers of growth. The complete research study is available for download on the Investor Relations website www.vita34group.com, in the "Stock" section.

Investor Relations Website

Vita 34 has revised the content and appearance of its Investor Relations website, which can be found at www.vita34group.com, in alignment with the new design of the corporate website. The Internet presence now has a more modern appearance and it has been optimized for mobile devices. All of the content is clearly structured and easy to find.

Financial Calendar 2014

28 August 2014	Annual General Meeting 2014
23 October 2014	Publishing of the 9-month report 2014
24-26 November 2014	German Equity Forum 2014

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Group Interim Report

Group Fundamentals

Business Model

Vita 34 is a pioneer amongst the private umbilical cord blood banks in Europe. With currently nearly 106,000 umbilical cord blood storages, and existing space for up to 350,000 stem cell preparations, Vita 34 is by far the largest private stem cell bank and market leader in the German-speaking countries. The company is active in two business segments, Stem Cell Banking and Biotechnology, and apart from Germany is represented in the European and global markets in a total of 16 countries via subsidiaries and cooperation partners.

With its core business, the cryo-preservation of stem cells from umbilical cord blood and tissue, Vita 34 is targeted towards expecting parents, who wish to have the extremely vital stem cells preserved for their children immediately after birth as a provision. As a complete provider in the field of stem cell banking, Vita 34 covers the entire value chain: This encompasses collection logistics, preparation and the permanent storage of umbilical cord blood and tissue, as well as the professional dispensing of stem cell transplants for the treatment of various diseases, such as leukemia, pediatric brain trauma or blood formation disorders.

Vita 34 is the only private stem cell bank in Germany that can demonstrate solid medical applications for stem cell preparations stored for one's own use. As of the end of the first half-year 2014, the number of transplants with Vita 34 stem cell preparations totaled 26, which corresponds to some 43 percent of the altogether 61 therapeutic uses in Europe reported to Cord Blood Europe, a European association of private umbilical cord blood banks. This outstanding application rate reflects the high level of quality of our storages. Thus, the observance of the highest quality and safety standards is the utmost priority for Vita 34. Only in this way can it be assured that preparations are actually ready for use, and can be transplanted, in the case of illness.

In addition, Vita 34 is the only private stem cell bank with the following:

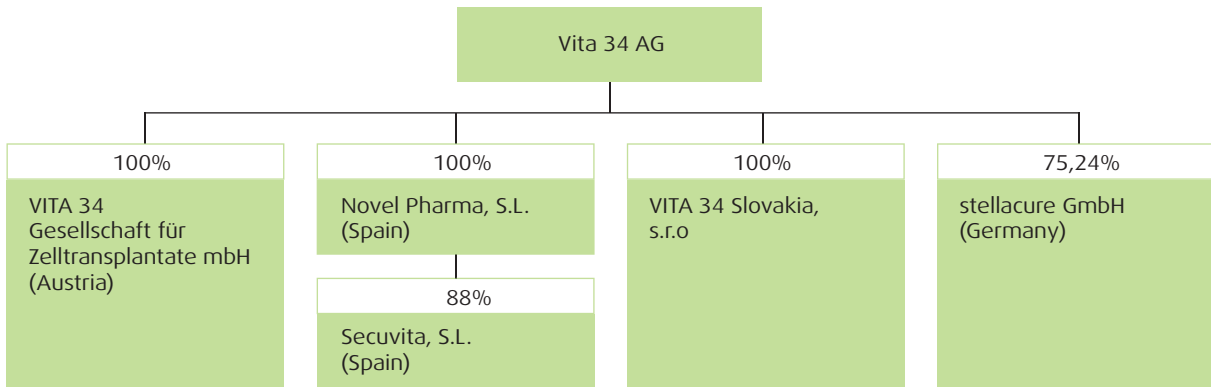
- Permits from the German Federal Institute for Vaccines and Biomedical Pharmaceuticals (Paul-Ehrlich Institute) for dispensing umbilical cord blood preparations for the therapeutic use in hematological/oncological diseases for siblings, and to help other people in the case of disease in the form of a donation.
- A permit for the collection, processing, cryo-preservation and storage of umbilical cord tissue

In order to help shape the applied research into the use of stem cells from umbilical cord blood and tissue, Vita 34 has been pursuing research projects for many years in cooperation with renowned research institutes and universities. The research unit of the company is integrated into the Biotechnology business segment. In this segment, Vita 34 is working on the development of a biological process for producing cell and tissue cultures, as well as its use in the optimization and multiplication of cell lines

Corporate Structure

The publicly traded Vita 34 AG company is the parent of the group: Vita 34 holds 100 percent interests in Novel Pharma, S.L. (Spain) VITA 34 Slovakia, s.r.o. (Slovakia) and VITA 34 Gesellschaft für Zelltransplantate mbH (Austria). In addition, there is a 75.24 percent participation in stellacure GmbH (Germany), as well as an 88 percent participation in Secuvita, S.L. (Spain) via Novel Pharma, S.L. (Spain). Secuvita, S.L. is an operating company, as is stellacure GmbH.

Corporate Structure

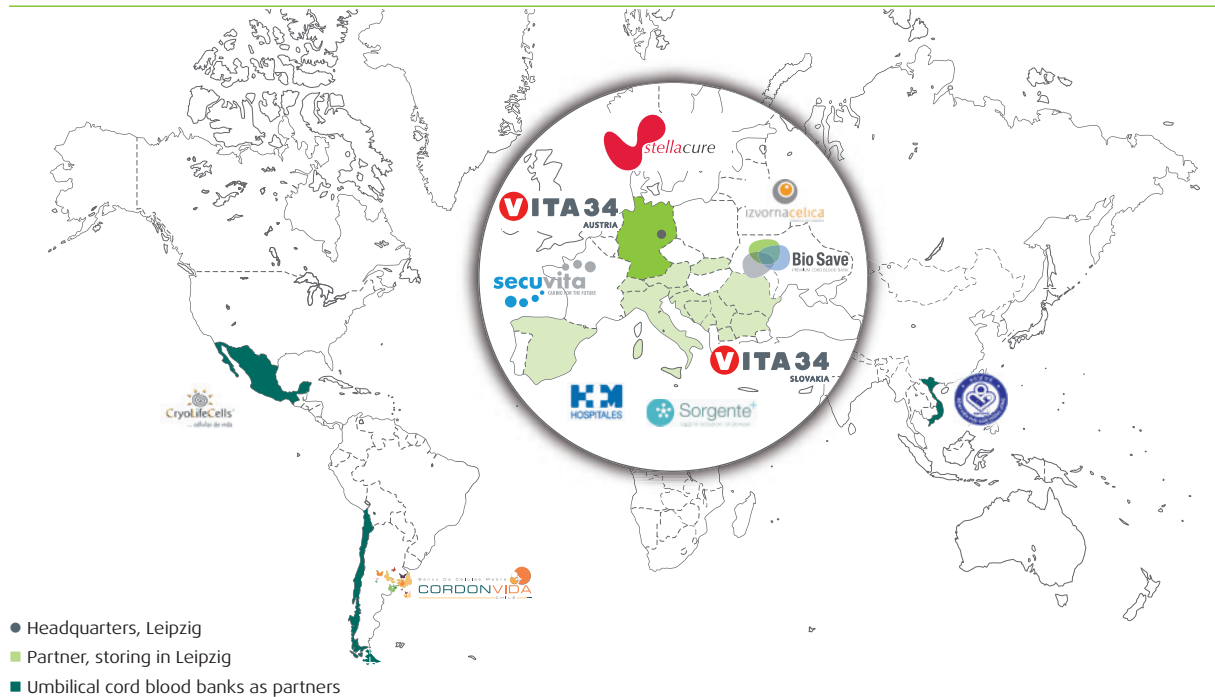


International Presence – The Vita 34 Family

Vita 34 has continuously expanded its activities on the international market in the past few years and, apart from Germany, is active in a total of 16 countries in the European and global markets via subsidiaries and cooperative ventures. Within the scope of European cooperation, the partner companies used the service provided by Vita 34. Vita 34 prepares the stem cell preparations for long-term

storage in its own cryo-tanks in Leipzig. International cooperation partners enjoy using the “Vita 34 Bag” collection system developed and patented by Vita 34, which allows decentralized preparation and storage of umbilical cord blood outside of clean rooms, and reduces cost-intensive start-up investments.

International Presence – The Vita 34 Family



Control System and Performance Indicators

The following, significant performance indicators are used for internal group controlling: new stem cell storages, total operating income, revenue, EBITDA margin, and equity ratio. The development of the control variables as compared with defined targets is reported on an annual basis. More detailed information on this can be found in the "Control System and Performance Indicators" chapter of the Vita 34 AG annual report dated 27 March 2014. This can be found on the Vita 34 website (www.vita34group.com).

The group is organized into business units according to products and services for the purpose of corporate control, and has two business segments: "Stem Cell Banking" and "Biotechnology". Management monitors the business units separately, in order to make decisions concerning the distribution of resources and to analyze the profitability of the units. The Management Board is regularly informed concerning the course of business by means of detailed reports and can, therefore, take action on a timely basis.

Research and Development

Stem cell research is gaining in significance in the field of regenerative medicine. Since cells that are as free from infection as possible, and which are extremely vital and young, possessing a high development potential are of particular interest for clinical application, umbilical cord blood and tissue represent important sources for stem cell research.

The increasing number of studies, as well as the results of the work of renowned scientists underscores the medical potential of stem cells from umbilical cord blood and tissue. Currently more than 800 clinical studies with umbilical cord blood and more than 200 with umbilical cord tissue are registered worldwide, dealing with specific areas of application (www.ClinicalTrials.gov).

In the first half-year of 2014 Vita 34 dealt intensively with the following research focal points in cooperation with renowned research institutes and universities:

- Study of the effectiveness of mesenchymal umbilical cord stem cells in blood cell transplants in the treatment of leukemia.
- The development of vitality markers for quality assurance in cryo-preserved plants in bio-banks, as well as the development of processes for the optimized extraction of plant agents.
- The preparation of a research project beginning in October 2014 on the cryo-preservation of autologous fatty tissue

The developments at Vita 34 are conducted in a modern laboratory with a team of highly qualified employees. The goal of Vita 34 is to establish quality standards for a later use via the storage of different stem cell materials, and to better understand the functioning of stem cells from umbilical cord blood and tissue. Thus, Vita 34 has the potential of developing innovative products. Vita 34 is concentrating on the use of plant stem cells in other individual projects.

You will find more detailed information on research activities in the Biotechnology business segment in the "Research and Development" chapter of the Vita 34 AG annual report dated 27 March 2014. This can be found on the Vita 34 website (www.vita34group.com).

Economic Report

Overall Economic Environment and Industry-Related Peripheral Conditions

Vita 34 has continually expanded its activities in international markets over the last few years via subsidiaries, as well as sales and cooperative partners. Apart from Germany and the German-speaking countries, Vita 34 has defined Spain, Italy, and since 2013 Southeastern Europe as core markets. The economic environment in Europe and especially these countries, therefore, has an influence on Vita 34's commercial development.

According to the Kiel Institute for the World Economy (IfW), the recovery in the Euro region has continued to solidify since the beginning of the year. The confidence indicators show that the recovery will continue in the coming months. IfW forecasts an increase in the gross domestic product in the Euro region of some 1.0 percent in 2014. According to IfW, the economy in Germany experienced a visible upswing in 2014, such that private consumption will increase tangibly thanks to strongly rising incomes. IfW reports that the gross domestic product in Germany will rise by 2.0 percent in 2014. The economic barometer of the German Institute for Economic Research (DIW Berlin) reflects this upwards trend with forecast growth in the German economy of 0.3 percent in Q2 2014. The economic output of Spain according to the national statistics institute INE in Q1 2014 rose by 0.4 percent as compared with the previous quarter and, thus, increased for the third time in a row. The Italian economy, on the other hand, started the year 2014 weakly: GDP dropped by 0.1 percent between January and March. For the full year 2014 the European Central Bank expects growth rates of 1.1 percent in Italy and 0.5 percent in Spain.

The decision to store umbilical cord blood and tissue is, among other things, dependent on purchasing power, as well as the income of the populace. For the year 2014 GfK (Gesellschaft für Konsumforschung) a consumer research company in Germany has forecast an increase in purchasing power of some 2.85 percent as compared with the prior year 2013. The German Federal Office for Statistics expects an increase in gross annual wages of some 9 percent between the years 2012 and 2016.

Birth behavior is an important factor for the commercial development of Vita 34. According to a current study by the Max Planck Institute for Demographic Research Rostock from 2013, the "ultimate birth rate" (cohort fertility) in 26 of the 37 countries studied will trend upward again. The German Federal Office of Statistics determined a birth rate of 1.38 children per woman in 2012. By comparison, the cohort fertility in Germany for women who are reaching age 35 in the same calendar year is between 1.54 and 1.57 according to the study. The trend is upward: For women who have reached age 34 today, the cohort fertility is nearly 1.6 children per woman. In the coming years, therefore, Vita 34 can expect positive market opportunities with regard to the ultimate birth rate.

Development of Business

During the first half-year of 2014 Vita 34 worked continuously on strengthening and expanding its leading market position in the Germany speaking countries and internationally. In concrete terms, the following measures were focused on:

Expanding the Product Range

Since fiscal year 2013 Vita 34 has possessed the required permits for collecting, processing, cryo-preserving and storing umbilical cord tissue and, therefore, is the only private stem cell bank in Germany that can store umbilical cord tissue along with umbilical cord blood according to Good Manufacturing Practice guidelines (GMP). In order to enter into contracts for collecting umbilical cord tissue with all partner clinics in Germany, Vita 34 has applied for permits for collecting tissue with all of the 27 responsible agencies within Germany. The process for obtaining the collection permit for umbilical cord tissue for all partner clinics in Germany, however, is more challenging than initially assumed. By the end of the reporting period Vita 34 had already received permits for collecting umbilical cord tissue from several agencies. The review process of the remaining agencies was ongoing in the reporting period.

Vita 34 received the applied for import license for umbilical cord tissue from Switzerland in accordance with Sec. 72b German Pharmaceuticals Act (AMG) and a collection permit for umbilical cord blood in accordance with Sec. 19 (2) of the Austrian Tissue Safety Act (GSG) in Austria in Q1 2014. Vita 34 has advanced the introduction umbilical cord tissue storage with our respective partners in Slovenia, Romania, Bulgaria, Macedonia and Croatia. The first tissue storages from Switzerland, Macedonia, Romania and Bulgaria have already taken place. In addition, our Spanish subsidiary Secuvita S.L. has prepared the storage of umbilical cord tissue in the reporting period.

Applications

In Q1 2014, stem cell preparations stored at Vita 34 were used for a patient in an Austrian clinic who is afflicted with acute myeloid leukemia. Thus, by the end of the reporting period the number of transplants with stem cell preparations that had been stored at Vita 34 totaled 26. At the same time, this was the ninth transplantation with a Vita 34 transplant that had been stored as a donation (allogenic). Already at the end of 2013 an additional stem cell preparation stored at Vita 34 had been dispensed to a clinic likewise in Austria for therapeutic use. The transplantation is planned for August of this year.

Research and Development

Vita 34 continued to expand its research activities in the Biotechnology segment during the reporting period. The German Federal Ministry for the Economy and Energy (BMWi) agreed in Q2 2014 to provide financial support for a research project conceived of at the end of 2013 for the cryo-preservation of autologous fatty tissues. The start of the project phase is planned for October 2014. The desired development goal encompasses a production permit for a cryo-technical procedure for providing a vital fatty tissue product that is safe to use. Autologous fatty tissue is used in reconstructive surgery as a filler material, for example in the treatment of burn wounds or in tissue reconstruction after the removal of tumors Vita 34 will conduct the development project with the Fraunhofer Institute for Cell Therapy and Immunology Leipzig and human med AG Schwerin.

In May of this year Vita 34 began an R&D project in cooperation with the Technical University Dresden. The goal of the tests performed at the Vita 34 research lab in this roughly three-year project is the development of a process for the optimized extraction of plant agents for producing medicines. To this end, the plant stem cells are introduced into a bioreactor for producing the active ingredients.

International Cooperation Partners

Vita 34 hired a new Managing Director for its subsidiary in Austria in Q2. He possesses extensive experience in the field of umbilical cord blood banking and has already successfully led a stem cell bank. He is providing active support to marketing activities in Austria and, thus, is making a contribution to the expansion of the Vita 34 positioning in the German-speaking countries.

Our Serbian partner Bio Save acquired our Slovenian partner Izvorna Celica effect 11 April 2014. With this acquisition, Bio Save is continuing the positive development of the company shown in the last few years. Vita 34 is linked to Bio Save by a trusting and successful cooperation. Thanks to the existing sales and marketing cooperative venture with Bio Save, Vita 34 is already storing umbilical cord blood for customers from Serbia, Montenegro, Macedonia, Romania, Bosnia-Herzegovina and Croatia. Vita 34 expects positive impetus on the number of storages from the Bio Save expansion in Slovenia.

Revenue and Profit Situation

The revenue and profit situation of Vita 34 continued to be characterized by a difficult market environment in the reporting period. The number of new storages, primarily from southern and eastern Europe did not develop as planned. The "VitaPlusNabelschnur" [VitaPlusCord] additional product has not yet been able to be offered comprehensively throughout Germany. Moreover, a one-time restructuring of the production process at the end of Q2 led to a redistribution of revenues from Q2 into the second half-year of 2014.

The total number of storages of umbilical cord blood and tissue in the reporting period was 3,395 new storages (first half-year 2013: 3,570 new storages). This development in new storages had a corresponding effect on the **revenues** in the first half-year 2014. In a comparison with the prior year revenues decreased by 6.3 percent from EUR 6.5 million in the first half-year 2013 to EUR 6.1 million in the reporting period. Here, Vita 34 posted revenues of EUR 2.9 million in Q2 2014, following EUR 3.3 million in the prior year's quarter. According to business segment in the first six months of 2014 some EUR 5.8 million was attributable to the Stem Cell Banking segment and some EUR 0.3 million to the Biotechnology business segment.

In Q2 2014 the **Cost of Sales** was EUR 1.3 million, following EUR 1.5 million in the prior year's reference period. Due to the decline in new storages and the associated reduced costs for preparation, the cost of sales in the first half-year 2013 decreased in all by some 7.8 percent to EUR 2.6 million (first half-year 2013: EUR 2.8 million).

The **Gross Profit on Sales** in Q2 of 2014 amounted to EUR 1.6 million (Q2 2013: EUR 1.8 million). This is equivalent to a gross margin of 56.4 percent, as compared with 54.0 percent in the reference period of the prior year. In the first half-year of 2014 the gross profit totaled EUR 3.5 million, following EUR 3.7 million in the 2013 reporting period. This is equivalent to a gross margin of 57.3 percent (first half-year 2013: 56.6 percent).

The netted **Other Operating Expenses and Income** in Q2 2014 were EUR 211k (Q2 2013: EUR 177k). The other operating income increased as compared to the first

six months of 2013 from EUR 264k to EUR 477k in the reporting period. This is based on increased income from research and development activities in the Biotechnology segment, whereas operating expenses were reduced by EUR 104k. The **Total operating income** in the reporting period was a total of EUR 6.6 million (first half-year 2013: EUR 6.9 million).

The **Selling Expenses** in Q2 2014 of roughly EUR 1.1 million were at the prior year's level (Q2 2013: EUR 1.1 million). In all Selling Expenses decreased from EUR 2.4 million in the prior year's reference period to EUR 2.2 million thanks to more efficient marketing in the first half-year 2014.

The **Administrative Costs** increased by 12.3 percent in Q2 2014 to EUR 741k due to a one-time effect (Q2 2013: EUR 660k). Since its takeover at the end of December 2013, our subsidiary stellacure GmbH has been included in the consolidation group of Vita 34. Due to increased costs incurred by the subsidiary, as well as compensation expenses for a former Management Board member of Vita 34 AG in the amount of EUR 0.1 million, the administrative costs in the first half-year 2014 increased by 11.2 percent to EUR 1.4 million, following EUR 1.3 million in the prior year's period.

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) reached in the first half-year 2014 with EUR 0.8 million, almost the value of the previous year (first half-year 2013: EUR 0.9 million). **Earnings Before Interest and Taxes (EBIT)** of EUR 0.3 million in the reporting period were at the level of the prior year (first half-year 2013: EUR 0.3 million). The **Income Tax Expense** in the first half-year 2014 remained nearly unchanged at some EUR 0.2 million (first half-year 2013: EUR 0.2 million).

The **Period Result** increased to EUR 114k in the first half-year 2014 (first half-year 2013: EUR 68k). This resulted in **Earnings per Share** of EUR 0.05 in the reporting period based on an average number of issued shares of 3,026,500, following EUR 0.04 in the 2013 reference period.

Financial Situation

Based on a **Period Result Before Income Tax** in the amount of some EUR 0.3 million in the first half-year 2014, with some EUR 0.5 million the lion's share of cash adjustments were attributable to scheduled depreciation. In the reference period of the prior year 2013 this was EUR 0.6 million with a period result before income tax of EUR 0.3 million.

Vita 34 posted an outflow of EUR -0.4 million in net current assets in the reporting period (first half-year 2013: EUR -0.2 million). The **Cash Flow from Operating Activities** in the first half-year 2014 of EUR 0.5 million was under the prior year's value of EUR 0.7 million.

Investments in plant and equipment particularly pertain to the expansion of storage capacity for the storage of umbilical cord blood and tissue. Since Vita 34 had already created sufficient storage capacity in the prior year, in the reporting period lower investments of EUR 85k were made than the EUR 372k in the first half-year of 2013. In the prior year's period, moreover, investments associated with the move to the Bio Cube were made, which were not required in the reporting period. Correspondingly, the **Cash Flow from Investment Activity** of EUR -0.2 million was higher than the prior year's value of EUR -0.5 million.

The **Cash Flow from Financing Activity** was EUR 0.2 million in the first half-year of 2014, following EUR -1.0 million in the prior year's period. In the prior year, planned redemptions of loans were incurred, which were eliminated after retirement of the loans at the end of fiscal year 2013.

Thus, as of 30 June 2014, Vita 34 had **Cash** in the amount of some EUR 3.3 million (30 June 2013: EUR 2.6 million).

Assets

On the asset side of the balance sheet the **Non-Current Assets** were EUR 27.0 million as of 30 June 2014 (31 December 2013: EUR 27.3 million). In particular, this contains the **Goodwill** of EUR 13.9 million, which remained unchanged as compared with 31 December 2013. This is comprised of the goodwill of Vita 34 AG, the Spanish subsidiary Secuvita, S.L., and the Biotechnology business segment together.

The **Current Assets** in the reporting period were EUR 5.1 million (31 December 2013: EUR 5.4 million). **Cash and Cash Equivalents** increased to EUR 3.3 million as of 30 June 2014 (31 December 2013: EUR 2.9 million).

On the liabilities side of the balance sheet, **Equity** as of the closing date 30 June 2014 was EUR 21.4 million due to higher retained earnings caused by a positive period result and, thus, it was higher than the 2013 year end level of EUR 21.3 million.

The **Non-Current Liabilities and Deferred Income** were EUR 10.7 million as of 30 June 2014, following EUR 10.4 million at the end of fiscal year 2013. **Current Liabilities and Deferred Income** decreased from EUR 4.0 million at the end of as of 31 December 2013 to EUR 3.2 million as of the end of the reporting period. This decline resulted, in particular, from lower trade liabilities of EUR 0.7 million as of the closing date 30 June 2014 following EUR 1.1 million at the end of 2013.

Deferred Income was unchanged at EUR 9.6 million in the reporting period (31 December 2012: EUR 9.6 million). This contains the storage fees that are collected from customers one time in advance, and are dissolved in linear fashion over the agreed storage period.

Vita 34 continued to have a solid balance sheet structure at the end of the reporting period. With a **Balance Sheet Total** of EUR 35.4 million (31 December 2013: EUR 35.6 million) the **Equity Ratio** was 60.5 percent, following 59.8 percent as of 31 December 2013.

Balance Sheet (EUR k)

	Assets		Equity & Liabilities		
	06/30/2014	12/31/2013	06/30/2014	12/31/2013	
Goodwill	13,942	13,942	21,406	21,292	Equity
Non-current assets	13,053	13,354	2,558	2,209	Non-current liabilities*
Liquid funds	3,314	2,927	9,625	9,588	Deferred income
Current assets	5,063	5,405	1,783	2,539	Current liabilities*
	35,372	35,628	35,372	35,628	

*Excluding deferred income

Subsequent Report

Following the closing of the reporting period, no significant events have occurred that would have had a special significance for or a substantial effect on the picture of the asset, financial and profit situation of the group portrayed by this interim report.

Risk and Opportunity Report

As compared with the opportunities and risks presented in the 2013 annual report, there have been no significant changes in the reporting period. More information on the special risks and opportunities of Vita 34 AG can be found in the "Internal Controlling and Risk Management System and Risk Report", "Corporate Risks" and "Opportunities for Future Development" chapters of the Vita 34 AG annual report of 27 March 2014. This can be found on the Vita 34 website (www.vita34group.com).

Prognosis Report

Outlook

The expected, future development of Vita 34 AG in fiscal year 2014 is explained within the scope of the prognosis report, to the extent that current knowledge allows.

Vita 34 is now pursuing the goal of entering into contracts for umbilical cord tissue collection with all of its partner clinics in Germany and the German-speaking countries in the short-term. The process of obtaining these collection permits for the partner clinics in Germany is, however, proving to be more challenging than expected, and is ongoing for a large portion of the partner clinics. Thus, it has not been possible to offer the "VitaPlusNabelschnur" [VitaPlusCord] additional product comprehensively in Germany, and the foreseen positive effects have not been achieved to their full extent. At the same time, the planned penetration of the southern and eastern European markets has proven to be ambitious. The market environment in these regions remains challenging for our cooperative partners in fiscal year 2014.

Even if we did not achieve the planned increase in profits in the reporting period, we see our-selves well-positioned to shape the development of Vita 34 positively and with sustainable profits. We are confident to achieve the targets for the full year 2014.

For the second half-year of 2014 Vita 34 is faced in particular with the challenge of increasing the number of new storages and the associated revenues. Corresponding measures, which Vita 34 has already initiated, will be consistently pursued to this end. Vita 34 will approach parents in a targeted fashion via more efficient marketing and sales activities. The new Internet presence that is optimized for mobile devices, the introduction of the Vita 34 “Our Baby” app, as well as the “Thanks Mama” advertising campaign are examples of a series of measures undertaken in the area of marketing and sales. Vita 34 expects a contribution to the expansion of the market position in the German-speaking countries from the newly hired Managing Director for our Austrian subsidiary.

Vita 34 has further expanded the activities in the Biotechnology segment during the reporting period with research projects involving the cryo-preservation of autologous fatty tissue, as well as the development of processes for the optimized extraction of plant agents. This opens the potential to Vita 34 of participating in new discoveries and product innovations, and expanding its own product range.

We are convinced that by implementing the growth strategy we can positively shape the business development of Vita 34 in the long-term. The basis for revenue and profit growth is market penetration and opening, the development of the product range, and expansion of our research initiatives. The progressing developments in the field of regenerative medicine document the good chances of success for the further development of the company in the medium term. Therefore, we will continue to pursue the objective of further extending our market position as a specialist for the cryo-preservation of biological materials.

Forward-Looking Statements

This interim report contains forward-looking prognoses. These statements are based on the current level of information available to Vita 34 at the point the report was drafted. Such forward-looking statements are subject, however, to risks and uncertainties. If the assumptions taken as a basis should not transpire or additional opportunities/risks arise, the actual events could deviate strongly from the estimates rendered. Vita 34 can assume no responsibility for this information.

Leipzig, July 2014

The Vita 34 AG Management Board



Dr. André Gerth
CEO



Jörg Ulbrich
CFO

Condensed Consolidated Interim Financial Statement

and Notes

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Condensed Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

EUR k	Note	04/01- 06/30/2014	04/01- 06/30/2013	01/01- 06/30/2014	01/01- 06/30/2013
Continuing operations					
Revenue		2,877	3,332	6,090	6,502
Cost of sales		-1,253	-1,534	-2,602	-2,822
Gross profit on sales		1,624	1,798	3,488	3,680
Other operating income		236	234	511	402
Marketing and selling expenses		-1,110	-1,063	-2,243	-2,352
Administrative expenses		-741	-660	-1,428	-1,284
Other operating expenses		-25	-57	-34	-138
Net operating profit/loss (EBIT)		-16	252	294	308
Finance revenue		7	6	57	62
Finance costs		-16	-57	-31	-89
Earnings before taxes		-25	201	320	281
Income tax expense	5	-65	-113	-206	-213
Period result/Total comprehensive income for the year after tax		-90	88	114	68
Period result attributable/Total comprehensive income for the year after tax to					
Owners of the parent		-60	106	166	106
Non-controlling interests		-30	-18	-52	-38
Earnings per share (EUR)					
Basic and diluted, for profit or loss for the year attributable to ordinary equity holders of the parent (EUR)		-0.02	0.04	0.05	0.04

Condensed Consolidated Statement of Financial Position (Assets)

EUR k	Note	06/30/2014	12/31/2013
Non-current assets			
Goodwill		13,942	13,942
Intangible assets		6,959	7,175
Property, plant and equipment		4,686	4,756
Other financial assets		76	76
Non-current trade receivables		1,162	1,177
Restricted cash		170	170
		26,995	27,296
Current assets			
Inventories		586	550
Trade receivables		2,493	2,762
Other receivables and assets		1,984	2,093
Cash and cash equivalents	4	3,314	2,927
		8,377	8,332
		35,372	35,628

Condensed Consolidated Statement of Financial Position (Equity & Liabilities)

EUR k	Note	06/30/2014	12/31/2013
Equity			
Issued capital		3,027	3,027
Capital reserves		23,950	23,950
Revenue reserves		-5,281	-5,447
Treasury shares		-436	-436
Non-controlling interests		146	198
		21,406	21,292
Non-current liabilities and deferred income			
Interest-bearing loans		177	210
Silent partners' interests		940	940
Deferred income taxes		239	31
Deferred grants		1,148	974
Pension provisions		54	54
Deferred income		8,189	8,169
		10,747	10,378
Current liabilities and deferred income			
Trade payables		722	1,127
Provisions		124	148
Income tax payable		58	58
Interest-bearing loans		133	140
Deferred grants		88	88
Other liabilities		658	978
Deferred income		1,436	1,419
		3,219	3,958
		35,372	35,628

Condensed Consolidated Statement of Changes in Group Equity

EUR k	Equity attributable to the		
	Issued capital	Capital reserves	Revenue reserve
Note			
Balance as of 1 January 2013	3,027	23,950	-6,285
Period result			106
Balance as of 30 June 2013	3,027	23,950	-6,179
Balance as of 1 January 2014	3,027	23,950	-5,447
Period result			166
Balance as of 30 June 2014	3,027	23,950	-5,281

owners of the parent						
Currency translation reserve	Available-for-sale assets	Total shareholders' equity	Treasury shares at acquisition costs	Non-controlling interests	Total equity	
0	0	20,692	-436	238	20,494	
		106		-38	68	
0	0	20,798	-436	200	20,562	
0	0	21,530	-436	198	21,292	
		166		-52	114	
0	0	21,696	-436	146	21,406	

Condensed Consolidated Statement of Cash flows

EUR k	Note	01/01- 06/30/2014	01/01- 06/30/2013
Cash flow from operating activities			
Earnings before taxes		320	281
Adjusted for:			
Amortization and depreciation		525	590
Other non-cash expenses/income		21	-14
Finance revenue		-57	-62
Finance costs		31	89
Working capital adjustments::			
+/- Receivables and other assets		393	263
+/- Inventories		-36	127
+/- Liabilities		-725	-513
+/- Provisions		-24	-209
+/- Deferred income		37	178
Interest paid		-31	-60
Income taxes paid		2	-19
Cash flow from operating activities		456	651
Cash flow from investing activities			
Purchase of intangible assets		-154	-142
Purchase of property, plant and equipment		-85	-372
Interest received		9	11
Cash flow from investing activities		-230	-503
Cash flow from financing activities			
Changes in restricted cash		0	56
Cash received from investment grants		201	0
Changes in loans		-40	-1,076
Cash flow from financing activities		161	-1,020
Net change in cash and cash equivalents		387	-872
Cash and cash equivalents at the beginning of the reporting period		2,927	3,497
Cash and cash equivalents at the end of the reporting period (Liquid funds)	4	3,314	2,625

Notes on the Condensed Consolidated Interim Financial Statement

1. Company Information

The parent company, Vita 34 AG (the "Company"), with headquarters in Leipzig (Germany) Deutscher Platz 5a, listed in the commercial register of the District Court of Leipzig under HRB 20339, is a company whose corporate purpose is the storage, the production and the sale of stem cell and blood products for therapy and transplantation, the development, production and sale of medicinal products, as well as conducting projects in the field of biotechnology. Its subsidiaries (together with the Company referred to as the "Group") also operate in the field of cord blood storage.

The group interim financial statements for the period from 1 January until 30 June 2014 were approved for publication by the Management Board on 24 July 2014.

2. Accounting and Valuation Principles

2.1 Basis for the Preparation of the Financial Statements

The preparation of the group interim financial statements for the period from 1 January until 30 June 2014 has been conducted in accordance with IAS 34 "Interim Financial Reporting."

The condensed group interim financial statements do not contain all of the explanations and information prescribed for the annual financial statements and should be read in conjunction with the group financial statements as of 31 December 2013.

2.2 Changes in Accounting Policies

The accounting and valuation methods used to prepare the group interim financial statements correspond with the methods used in the preparation of the group financial statements for the fiscal year as of 31 December 2013.

The group used the following new and revised IFRS standards and interpretations for the first time as of 1 January 2014:

- Modifications to IAS 36: Impairment of Assets
- Modifications to IAS 39: Novation of Derivatives and Continuation of Accounting for Financial Instruments
- Modifications to IFRS 10, IFRS 12 and IAS 27: Investment Companies
- Modifications to IFRS 10, IFRS 11 and IFRS 12: Consolidated Financial Reports, Joint Arrangements, Disclosure of Interests in Other Entities
- Amendments to IAS 32: Financial Instruments Presentation – Offsetting Financial Assets and Financial Liabilities
- IFRS 10: Consolidated Financial Statements

- IFRS 11: Joint Arrangements
- IFRS 12: Disclosure of Interests in Other Entities
- IAS 27: Separate Financial Statements
- IAS 28: Investments in Associates

The standards and interpretations required to be used for the first time starting 1 January 2014 resulted in no significant effects on the interim financial statements of Vita 34 AG.

3. Consolidation Group

The consolidated interim financial statements encompass, apart from the parent company Vita 34 AG, the interim financial statements of the following subsidiaries:

- Novel Pharma, S.L., Madrid, Spain
- Secuvita, S. L., Madrid, Spain
- stellacure GmbH, Hamburg, Germany

4. Cash and Cash Equivalents

For the purposes of the consolidated statement of cash flows, the cash and cash equivalents consist of the following:

Overview cash and cash equivalents

EUR k	06/30/2014	06/30/2013
Cash on deposit and on hand	3,314	2,625
	3,314	2,625

5. Income Taxes

The significant components of the income tax expenditures listed in the condensed consolidated income statement consist of the following:

Consolidated Statement of expense Income

EUR k	01/01-06/30/2014	01/01-06/30/2013
Current income tax		
Current income tax income/ expense	-2	19
Deferred income tax		
Origination and reversal of temporary differences on unused tax losses	-26	7
	234	187
Income tax expense	206	213

6. Segment Reporting

The group is organized into business units according to products and services for the purpose of corporate taxation, and has the following two reporting business segments:

- The “Stem Cell Banking” business segment is active in the field of collection, processing and storage of stem cells from umbilical cord blood, as well as umbilical cord tissue.
- The “Biotechnology” business segment develops biological processes for cell and tissue culture and employs them in the optimization and multiplication of cells and plants. Analyses and services are performed for environmental projects.

The operating profit/loss of the business units is monitored by management separately, in order to make decisions concerning the distribution of resources and to determine the profitability of the units. The development of the segments is evaluated using operating profit. The group financing (including finance income of EUR 57k and finance expense of EUR 31k) as well as taxes on income and profits, are taxed uniformly across the group and are not attributed to the individual segments.

The offset prices between the operative segments are determined in accordance with typical market conditions amongst unrelated third-parties.

The following table contains information on income and segment results of the operating segments of the Group for the period from 1 January to 30 June 2014 or 2013.

Period from 01/01 - 06/30/2014

EUR k	The Stem Cell Banking	Bio-technology	Total	Consolidated	Group
Revenue from transactions with external customers	5,826	264	6,090	0	6,090
EBITDA (earnings before interest and taxes, depreciation and amortization)	480	339	819	0	819
Depreciation	463	62	525	0	525
EBIT (operating profit)	17	277	294	0	294
Segment assets	32,361	3,011	35,372	0	35,372
Segment liabilities	-13,527	-439	-13,966	0	-13,966

Period from 01/01 - 06/30/2013

EUR k	The Stem Cell Banking	Bio-technology	Total	Consolidated	Group
Revenue from transactions with external customers	6,246	256	6,502	0	6,502
EBITDA (earnings before interest and taxes, depreciation and amortization)	831	67	898	0	898
Depreciation	520	70	590	0	590
EBIT (operating profit)	311	-3	308	0	308
Segment assets	32,884	2,155	35,039	0	35,039
Segment liabilities	-13,896	-581	-14,477	0	-14,477

6.1 Information Concerning Geographic Regions

The geographic segments of the group are determined in accordance with the revenues earned in the geographical areas.

The following table contains information on sales revenues and segment results of the geographic segments of the group for the period from 1 January to 30 June 2014 or 2013:

Period from 01/01- 06/30/2014

EUR k	DACH	Spain	Total	Consolidated	Group
Revenue from transactions with external customers	4,723	1,367	6,090	0	6,090
Revenue from transactions with other segments	253	0	253	-253	0
	4,976	1,367	6,343	-253	6,090
EBITDA (earnings before interest and taxes, depreciation and amortization)	860	-41	819	0	819
Depreciation	319	206	525	0	525
EBIT (operating profit)	541	-247	294	0	294
Segment assets	30,755	7,942	38,697	-3,325	35,372
Segment liabilities	-10,661	-6,630	-17,291	3,325	-13,966

Period from 01/01- 06/30/2013

EUR k	DACH	Spain	Total	Consolidated	Group
Revenue from transactions with external customers	4,873	1,629	6,502	0	6,502
Revenue from transactions with other segments	314	0	314	-314	0
	5,187	1,629	6,816	-314	6,502
EBITDA (earnings before interest and taxes, depreciation and amortization)	958	-60	898	0	898
Depreciation	388	202	590	0	590
EBIT (operating profit)	570	-262	308	0	308
Segment assets	25,536	8,174	33,710	1,329	35,039
Segment liabilities	-6,642	-6,506	-13,148	-1,329	-14,477

DACH: Germany, Austria, Switzerland (DACH)

7. Information on Relationships to Friends and Family

The following table contains the compensation of persons in key positions in the period from 1 January to 30 June 2014 or 2013:

Expenses to related parties	2014	2013
EUR k		
Compensation of key management personnel of the Group:		
Short-term benefits:		
Remuneration of the Supervisory Board	14	14
Management board salaries	171	169
Other contributions	10	10

An agreement was entered into with Dr. med. Eberhard F. Lampeter concerning the early termination of contract effective July 31, 2012. As compensation for the promised variable compensation components, compensation expenses in the amount of EUR 97k were taken into consideration in the first half-year 2014.

In the first half-year 2013 a GmbH [German limited liability company] with close ties to a Supervisory Board member, provided services to the Group. The cost to the Group for the services rendered was EUR 30k.

Leipzig, 24 July 2014

The Vita 34 AG Management Board



Dr. André Gerth
CEO



Jörg Ulbrich
CFO

Declaration of the Legal Representatives

We hereby affirm that to the best of our knowledge the consolidated financial statements provide a picture of the asset, financial and profit situation of the Group, which reflects the actual circumstances in accordance with the applicable accounting policies, and that the management report presents the course of business, including the financial results, and the situation of the Company in a manner that corresponds with the actual circumstances, and that the most important opportunities and risks of the foreseeable development of the Group have been described.

Leipzig, July 2014

Management Board of Vita 34 AG

The image shows two handwritten signatures in black ink. The signature on the left is 'Dr. Gerth' and the signature on the right is 'J. Ulbrich'. Both are written in a cursive, handwritten style.

Dr. André Gerth
CEO

Jörg Ulbrich
CFO

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Copy and Editing

Vita 34 AG, Leipzig
cometis AG, Wiesbaden

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The production of the paper is certified in accordance with DIN ISO 9001 and 14001. The cellulose and paper plants of the manufacturer are certified in accordance with FSC Chain of Custody. The wood originated exclusively from controlled and sustainably managed forests.

Publication

This Interim Report was published in German and English on 24 July 2014 and is available for download on our internet site.

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