

VIACELL, INC.

FOR IMMEDIATE RELEASE

Children Can be Cured of Sickle Cell Disease and Thalassemia After Sibling Cord Blood Transplantation: Results from ViaCell and Children's Hospital & Research Center Oakland

Washington, DC (September 20, 2007) –ViaCell, Inc. (Nasdaq: VIAC) and Children's Hospital & Research Center Oakland reported results today that children with Sickle Cell Disease and Thalassemia can be cured with umbilical cord blood from a compatible sibling. At the Sickle Cell Disease Association of America and National Institutes of Health (NIH) 35th Annual Convention, Dr. Mark Walters, Director of the Blood and Marrow transplant program at Children's Hospital & Research Center Oakland presented research data demonstrating that cord blood from a relative can be an effective source of stem cells for transplantation in children affected with Sickle Cell Disease and Thalassemia and may have advantages over bone marrow transplantation.

"Patients with Sickle Cell and Thalassemia often lead debilitating lives," said Dr. Walters. "Through continued research and transplant success, sibling umbilical cord blood has proven to be effective in curing children of these blood disorders. I expect the use of umbilical cord blood will continue to increase and as we gain more experience using cord blood stem cells in transplant medicine, I believe it could outpace the use of bone marrow in transplant medicine."

The data presented at the Sickle Cell Disease Association of America and NIH meeting showed outcomes from children treated under The Sibling Connection Program, a directed sibling transplant program implemented by ViaCord and Children's Hospital Oakland Research Institute (CHORI), the research arm of Children's Hospital & Research Center Oakland. This program has resulted in cord blood treatments in more than 100 children to date. Of the children treated under the Sibling Connection Program, 17 were transplanted for Sickle Cell Disease and 23 were transplanted for Thalassemia. The median age of patients treated for Sickle Cell Disease was 8 years and 5 years for patients treated for Thalassemia.

Transplantation of sibling umbilical cord blood has demonstrated clinical advantages over bone marrow transplantation in young children. In particular, the risk of graft-versus-host (GvHD) disease, a common side-effect and the leading cause of death in transplant medicine, is reduced. Of the children treated, six patients with Sickle Cell Disease had acute GvHD. No patients treated for Sickle Cell Disease had chronic GvHD. In addition, no acute or chronic GvHD was observed in patients transplanted for Thalassemia.

The median time to neutrophil recovery (ANC greater than 500 cells per microliter) and platelet recovery (greater than 20,000 per microliter) in patients treated for Sickle Cell Disease was 18 days and 36 days, respectively. 82% of the patients treated for Sickle Cell Disease survive and are disease-free. The median time to neutrophil recovery (ANC greater than 500 cells per microliter) and platelet recovery (greater than 20,000 per microliter) in patients treated for Thalassemia was 25 days and 47 days, respectively. 96% of the patients treated for Thalassemia survive and 91% are disease-free.

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In 2006, ViaCell and CHORI combined their efforts in the area of directed transplants for sibling donor umbilical cord blood to form the Sibling Connection Program. To date, over 100 children have been treated by cord blood from units collected and processed through this program. This includes transplants through cord blood collected, preserved and stored with ViaCord and transplants using cord blood stored through CHORI's Sibling Donor Cord Blood Program. The Sibling Connection Program provides ViaCord's comprehensive cord blood collection, processing and five years of storage at no cost to families who have a child diagnosed with a condition that can be treated with cord blood stem cell transplant and meet the other requirements of the program.

About Sickle Cell Disease

Sickle Cell Disease is an inherited blood disorder where red blood cells are sickle or crescent shaped. The abnormally-shaped cells become rigid and prevent normal flow of oxygen to tissues, causing tissue damage. Common symptoms include chest pain, frequent infections, jaundice, and anemia. There is currently no universal cure for Sickle Cell Disease. Complications of Sickle Cell Disease can be treated with antibiotics, pain management, intravenous fluids, blood transfusions and surgery. Over 2.5 million people in the United States carry the trait and over 80,000 have sickle cell anemia. Sickle Cell Disease predominantly affects African Americans and people of Mediterranean descent. September is National Sickle Cell Awareness Month.

Umbilical cord blood has been successfully transplanted in patients with Sickle Cell Disease and Thalassemia as an emerging therapeutic treatment option. ViaCord released its first cord blood unit from a related source to treat Sickle Cell Disease in 2000. 30% of all enrollments in the ViaCord/CHORI Sibling Connection Program are with families who have children affected with Sickle Cell Disease.

About Thalassemia

Thalassemia is a hereditary blood disorder characterized by decreased production of hemoglobin, a critical oxygen-carrying protein in red blood cells. This results in anemia and shortage of red blood cells. Diagnosis is typically early in childhood with lifelong red blood cell transfusions and resulting complications. The symptoms of thalassemia depend on the type and severity of the disease and include anemia, jaundice, enlarged spleen and liver, abnormal facial bones and poor growth. It is estimated that over 2 million people in the United States carry the genetic trait for Thalassemia and approximately 1,000 people are living with Thalassemia in the U.S.

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 cancers 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. The ViaCord Processing Laboratory, located in Hebron, Kentucky, is an AABB accredited cord blood facility. Additional information about ViaCord is available online at <http://www.viacord.com>.

Research at Children's Hospital & Research Center Oakland, CA

Research efforts at Children's Hospital & Research Center Oakland are coordinated through Children's Hospital Oakland Research Institute (CHORI). Children's Hospital Oakland is Northern California's only freestanding and independent children's hospital. CHORI's internationally renowned biomedical research facility brings together seven centers of excellence that are devoted to clinical and basic science research to treat and prevent disease. CHORI has approximately 300 staff members and an annual budget of more than \$49 million. The National Institutes of Health is CHORI's primary funding source. The institute is a leader in translational research, bringing bench discoveries to bedside applications. These include providing cures for blood diseases, developing new vaccines for infectious diseases and discovering new treatment protocols for previously fatal or debilitating conditions such as cancers, sickle cell disease and thalassemia, diabetes, asthma, HIV/AIDS, pediatric obesity, nutritional deficiencies, birth defects, hemophilia and cystic fibrosis.

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 ViaCyteSM, 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. For more information about ViaCell, visit our website at <http://www.viacellinc.com>.

Forward-Looking Statements

This press release contains forward-looking statements regarding expectations about the increased use of cord blood in transplant medicine. These statements are based on current expectations, and are subject to a number of risks and uncertainties that could cause actual results to differ materially from current expectations. For example, expectations about the increased use of cord blood may be negatively impacted by data or research that indicates that cord blood is not more effective than existing or future therapies in treating diseases that are not currently treatable with cord blood, and any unexpected material issues, delays or failures in the collection, processing, storage or transplant of umbilical cord blood. 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.

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