



THERMOGENESIS PROVIDES UPDATE ON FISCAL 2009 RESULTS

PRODUCT LAUNCH EXPENSES AND NON-RECURRING CHARGES INCREASE QUARTERLY LOSS

(RANCHO CORDOVA, CA), August 6, 2009—ThermoGenesis Corp. (NASDAQ: KOOL), a leading supplier of innovative products for processing and storing adult stem cells, said today that it expects revenues for the fiscal year ended June 30, 2009, will be in the range of \$19.5-\$20.0 million, subject to final audit adjustments. The Company said revenues in the fourth quarter of fiscal 2009 were impacted by several factors, including delays in customer capital equipment purchases of BioArchive® Systems and reduced sales of AXP® AutoXpress™ (“AXP”) bag sets due to the timing of orders from GE Healthcare. These AXP orders are expected to be recovered over the next two quarters.

The Company said it expects to report a loss for the fourth quarter of fiscal 2009 in the range of \$2.8-\$3.3 million, subject to final audit and adjustments. Contributing to the fourth quarter results are non-recurring costs of approximately \$1.6 million, including non-cash charges of approximately \$0.7 million. The non-cash charges primarily include \$0.3 million in reserves for costs related to a transition to an upgraded AXP device and write-downs of obsolete inventory at AXP bag set suppliers and \$0.2 million of excess surgical wound care inventory reserved in connection with the planned divestiture of the CryoSeal product line.

Also included in non-recurring costs in the fourth quarter are several cash charges totaling approximately \$0.9 million. These include approximately \$0.2 million to support the release and launch of the Company’s new Res-Q™ 60 BMC (“Res-Q”) System, \$0.4 million in costs related to AXP device and disposable design enhancements and the write down of excess inventories at former AXP manufacturers, and \$0.2 million in severance charges.

In a separate press release today the Company announced that its Res-Q System, a point of care processing device for bone marrow aspirate to concentrate stem cells, was formally launched in July. The Res-Q System processes bone marrow in minutes and delivers a high rate of stem cell recovery.

The Company also announced today, in a separate press release, an expanded collaboration agreement with Celling Technologies (“Celling”), a subsidiary of SpineSmith, LLC, for the marketing and distribution of the MX™ MarrowXpress™ (“MXP”) System and Res-Q. Key elements of this agreement include shared funding for clinical studies to demonstrate the clinical

effectiveness of both the MXP and Res-Q Systems with Celling's orthopedic applications, including spinal fusion. Celling will be responsible for coordinating the clinical studies. The Company believes the results of these studies, if successful, will accelerate the market adoption of the Company's bone marrow processing technologies and increase Company sales.

J. Melville Engle, Chief Executive Officer, stated that the Company is committed to quality and expanding its market position as a leading manufacturer in the stem cell industry. "A large portion of the non-recurring charges are related to our AXP quality initiative, which is a major focus for the Company. We have begun to streamline the organization, outsource certain manufacturing activities and implement changes to our structure to ensure we are properly focused on our key customers."

Engle said the following factors are expected to drive growth and contribute to improved financial performance for the Company in fiscal 2010:

- Solid stem cell collection activity at our largest private cord blood banking customer, Cord Blood Registry ("CBR"). CBR expects these positive trends to continue during 2010.
- Recent addition of the New England Cord Blood Bank as a customer for the AXP. The AXP is also being evaluated at other prospective sites which, if successful, is expected to generate additional revenues.
- Positive clinical response to the MXP. The Company intends to add additional MXP distribution partners in fiscal 2010.
- Launch of the Res-Q System. Res-Q is expected to add incremental revenues in 2010 through its expanded distribution agreement with Celling Technologies.
- Relaunch of ThermoLine™ product group. Utilizing outsourced manufacturing, the Company expects improved product availability, quality and cost.

"The steps we took in the fourth quarter to reduce overhead and to enhance our quality will enable us to focus on our growth initiatives. We believe through the expansion of both our cord blood business and our new products—the MXP and Res-Q—we will be positioned to achieve meaningful growth in revenues during 2010," Engle added. "We expect to end fiscal 2009 with \$15-\$16 million in cash and short-term investments, and given our revenue goals and expectations for operating expenses, we believe we have the resources necessary to drive the Company through breakeven in fiscal 2010," he added.

The Company said it will report its final operating results for fiscal 2009 and provide additional commentary regarding fiscal 2010 in early September.

About ThermoGenesis Corp.

ThermoGenesis Corp. (www.thermogenesis.com) is a leader in developing and manufacturing automated blood processing systems and disposable products that enable the manufacture, preservation and delivery of cell and tissue therapy products. These products include:

- **The BioArchive[®] System**, an automated cryogenic device, is used by cord blood stem cell banks in more than 25 countries for cryopreserving and archiving cord blood stem cell units for transplant.
- **AXP[®] AutoXpress[™] Platform (AXP)**, a proprietary family of automated devices that includes the AXP and the MXP[™] **MarrowXpress[™]** and companion sterile blood processing disposables for harvesting stem cells in closed systems. The AXP device is used for the processing of cord blood. GE Healthcare is the exclusive global distribution partner for the AXP cord blood product except for Central and South America, China and Russia/CIS, where ThermoGenesis markets through independent distributors. The MXP is used for isolating stem cells from bone marrow.
- **The Res-Q[™] 60 BMC (Res-Q)**, a point of care system that is designed for bone marrow stem cell processing. This product was launched in July 2009.
- **The CryoSeal[®] FS System**, an automated device and companion sterile blood processing disposable, is used to prepare fibrin sealants from plasma in about an hour. The CryoSeal FS System is approved in the U.S. for liver resection surgeries. The CryoSeal FS System has received the CE-Mark which allows sales of the product throughout the European community. Asahi Medical is the exclusive distributor for the CryoSeal System in Japan and the Company markets through independent distributors in Europe and South America.

This press release contains forward-looking statements, and such statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements involve risks and uncertainties that could cause actual outcomes to differ materially from those contemplated by the forward-looking statements. Several factors, including timing of FDA approvals, changes in customer forecasts, our failure to meet customers' purchase order and quality requirements, supply shortages, production delays, changes in the markets for customers' products, introduction timing and acceptance of our new products scheduled for fiscal years 2009 and 2010, and introduction of competitive products and other factors beyond our control, could result in a materially different revenue outcome and/or in our failure to achieve the revenue levels we expect for fiscal 2010 and 2010. Revenue and loss are unaudited estimates, and subject to final audit. A more complete description of these and other risks that could cause actual events to differ from the outcomes predicted by our forward-looking statements is set forth under the caption "Risk Factors" in our annual report on Form 10-K and other reports we file with the Securities and Exchange Commission from time to time, and you should consider each of those factors when evaluating the forward-looking statements.

ThermoGenesis Corp.

Web site: <http://www.thermogenesis.com>

Contact: Investor Relations

+1-916-858-5107, or

ir@thermogenesis.com