

## BioTime Reports Pro Forma Gain on Deconsolidation of OncoCyte Subsidiary

February 21, 2017

ALAMEDA, Calif.--(BUSINESS WIRE)--Feb. 21, 2017-- **BioTime, Inc. (NYSE MKT:BTX)**, a clinical-stage biotechnology company developing and commercializing products addressing degenerative diseases, today announced the deconsolidation of OncoCyte Inc.'s financial statements from BioTime's consolidated financial statements effective February 17, 2017. As a result of the deconsolidation, BioTime will report a pro forma, non-cash gain of approximately \$56 million. The actual amount of the gain will be determined and recorded during the quarter ending March 31, 2017.

The deconsolidation occurred due to the exercise of 625,000 warrants by certain OncoCyte warrant holders on February 17, 2017. As a result of the warrant exercises, OncoCyte's shares outstanding increased, so that BioTime no longer owns a majority of OncoCyte's shares. BioTime owns 14,674,244 OncoCyte common shares, which currently represent approximately 49.9% of OncoCyte's common stock outstanding. The OncoCyte shares that BioTime holds had a market value of approximately \$71 million at the close of trading on February 17, 2017.

"We continue to simplify BioTime, both in terms of corporate structure and investor transparency," said Russell Skibsted, Chief Financial Officer. "Following the deconsolidation, BioTime's future financial statements will more clearly reflect our operations and cash utilization as we no longer will report OncoCyte's cash burn as part of BioTime's results. We will now report the value of our remaining ownership position in OncoCyte as a single line item on our balance sheet at the end of each quarter based on the closing price of OncoCyte common stock as quoted on the NYSE MKT (under ticker "OCX"). This accounting treatment is the same as for our ownership position in Asterias Biotherapeutics, which was deconsolidated in May 2016. The successful development of both Asterias and OncoCyte into independent public companies with strong product pipelines addressing large medical market opportunities illustrates the potential value of the technology platforms we are developing within BioTime. We are actively exploring additional approaches to further execute our corporate simplification strategy while building additional shareholder value."

The impact, including the actual gain, of this deconsolidation will be recognized in BioTime's quarterly report on Form 10-Q to be filed with the Securities and Exchange Commission for the quarter ending March 31, 2017. BioTime filed the pro forma effects of this deconsolidation to its consolidated financial statements today in a separate Form 8-K.

### About BioTime

BioTime, Inc. is a clinical-stage biotechnology company focused on developing and commercializing novel therapies developed from what the company believes to be the world's premier collection of pluripotent cell assets. The foundation of BioTime's core therapeutic technology platform is pluripotent cells that are capable of becoming any of the cell types in the human body. Pluripotent cells have potential application in many areas of medicine with large unmet patient needs, including various age-related degenerative diseases and degenerative conditions for which there presently are no cures. Unlike pharmaceuticals that require a molecular target, therapeutic strategies based on the use of pluripotent cells are generally aimed at regenerating or replacing affected cells and tissues, and therefore may have broader applicability than pharmaceutical products.

In addition to the development of therapeutics, BioTime's research and other activities have resulted, over time, in the creation of other subsidiaries that address other non-therapeutic market opportunities such as cancer diagnostics, drug development and cell research products, and mobile health software applications.

BioTime common stock is traded on the NYSE MKT and TASE under the symbol BTX. For more information, please visit [www.biotimeinc.com](http://www.biotimeinc.com) or connect with the company on [Twitter](#), [LinkedIn](#), [Facebook](#), [YouTube](#), and [Google+](#).

### Forward-Looking Statements

Certain statements contained in this release are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Statements pertaining to future financial and/or operating results, future growth in research, technology, clinical development, and potential opportunities for BioTime, Inc. and its subsidiaries, along with other statements about the future expectations, beliefs, goals, plans, or prospects expressed by management constitute forward-looking statements. Any statements that are not historical fact (including, but not limited to statements that contain words such as "will," "believes," "plans," "anticipates," "expects," "estimates") should also be considered to be forward-looking statements. Forward-looking statements involve risks and uncertainties, including, without limitation, risks inherent in the development and/or commercialization of potential products, uncertainty in the results of clinical trials or regulatory approvals, need and ability to obtain future capital, and maintenance of intellectual property rights. Actual results may differ materially from the results anticipated in these forward-looking statements and as such should be evaluated together with the many uncertainties that affect the business of BioTime, Inc. and its subsidiaries, particularly those mentioned in the cautionary statements found in more detail in the "Risk Factors" section of its Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q filed with the SEC (copies of which may be obtained at [www.sec.gov](http://www.sec.gov)). Subsequent events and developments may cause these forward-looking statements to change. BioTime specifically disclaims any obligation or intention to update or revise these forward-looking statements as a result of changed events or circumstances that occur after the date of this release, except as required by applicable law.

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