

CONFIDENTIAL
FOR OUTSIDE COUNSEL ONLY

Stem Cell System Business Forecast

	1993	1994	1995	1996	1997	1998	1999	2000	2001
Stem Cell System									
US Sales									
Growth Rate	25%	25%	25%	25%	25%	25%	25%	25%	25%
# Autologis	2,500	3,125	3,906	4,883	6,104	7,629	9,537	11,921	14,901
# Allotaxis	3,774	4,189	4,650	5,161	5,720	6,359	7,050	7,835	8,697
# PostChemo/Gene Tx	77,000	92,400	110,800	133,056	159,667	191,461	229,921	275,905	331,066
Penetration Rates									
# Autologis	0.0%	0.0%	0.0%	0.0%	1.5%	12.0%	24.0%	40.0%	55.0%
# Allotaxis	0.0%	0.0%	0.0%	0.0%	0.0%	2.0%	10.0%	24.0%	40.0%
# PostChemo/Gene Tx	0.0%	0.0%	0.0%	0.0%	0.0%	1.0%	4.0%	12.0%	22.5%
Unit Sales									
# Autologis	0	0	0	0	92	916	2,289	4,768	9,313
# Allotaxis	0	0	0	0	0	127	766	1,681	3,914
# PostChemo/Gene Tx	0	0	0	0	0	1,916	9,197	31,109	74,492
Total Units	0	0	0	0	92	2,959	12,192	39,757	85,714
Gross \$ Sales (\$000s)	\$2,500								
# Autologis	\$0	\$0	\$0	\$0	\$229	\$2,280	\$5,722	\$11,921	\$16,764
# Allotaxis	\$0	\$0	\$0	\$0	\$0	\$318	\$1,765	\$4,701	\$9,784
# PostChemo/Gene Tx	\$0	\$0	\$0	\$0	\$0	\$4,700	\$22,992	\$42,771	\$166,226
TOTAL	\$0	\$0	\$0	\$0	\$229	\$7,397	\$30,479	\$99,394	\$212,784
Net \$ Sales (\$000s)									
# Autologis	\$0	\$0	\$0	\$0	\$222	\$7,175	\$20,564	\$96,412	\$206,401
# Allotaxis	\$0	\$0	\$0	\$0	\$25	\$32	\$108	\$288	\$724
# PostChemo/Gene Tx	\$0	\$0	\$0	\$0	\$0	\$25	\$1,722	\$6,000	\$43,344
TOTAL	\$0	\$0	\$0	\$0	\$247	\$7,207	\$21,292	\$102,700	\$250,469
X Cost of Sales (\$000s)									
# Autologis	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
# Allotaxis	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
# PostChemo/Gene Tx	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gross Margin									
Marketing & Sales	15%	15%	15%	15%	15%	15%	15%	15%	15%
General & Admin	6%	6%	6%	6%	6%	6%	6%	6%	6%
Research & Dev	10%	10%	10%	10%	10%	10%	10%	10%	10%
Royalties	3%	3%	3%	3%	3%	3%	3%	3%	3%
Net Product Contribution									
U.S.	(\$1,000)	(\$1,450)	(\$2,350)	(\$2,725)	(\$2,913)	\$1,670	\$12,121	\$40,493	\$68,752
Net	\$1,274	\$1,274	\$1,274	\$1,274	\$1,274	\$1,274	\$1,274	\$1,274	\$1,274
Net	\$26,516	\$26,516	\$26,516	\$26,516	\$26,516	\$26,516	\$26,516	\$26,516	\$26,516
Net	\$41,010	\$41,010	\$41,010	\$41,010	\$41,010	\$41,010	\$41,010	\$41,010	\$41,010
Net	\$148,150	\$148,150	\$148,150	\$148,150	\$148,150	\$148,150	\$148,150	\$148,150	\$148,150

Plaintiffs' Trial Exhibit
79
94-105-RRM

DEPOSITION EXHIBIT

5-22-95

Murdock 187

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Stem Cell System Business Forecast

	FY90	FY91	FY92	FY93	FY94	FY95	FY96	FY97	FY98	FY99	FY00	FY01
Stem Cell System												
Europe												
# Autochris	25%	2,500	3,125	4,483	6,104	7,629	9,337	11,921	14,901	18,626	23,283	29,104
# Allochris	11%	4,440	4,928	6,072	6,740	7,482	8,305	9,216	10,232	11,358	12,607	13,994
# Postchemos/Gene Ia	20%	77,000	92,400	110,800	133,066	159,667	191,401	229,921	275,905	337,303	416,784	512,116
Penetration Rates												
# Autochris		0.0%	0.0%	1.5%	7.5%	15.0%	30.0%	45.0%	60.0%	70.0%	70.0%	70.0%
# Allochris		0.0%	0.0%	0.0%	7.5%	15.0%	30.0%	45.0%	60.0%	70.0%	70.0%	70.0%
# Postchemos/Gene Ia		0.0%	0.0%	0.0%	3.0%	7.5%	15.0%	22.5%	30.0%	35.0%	35.0%	35.0%
Unit Sales												
# Autochris		0	0	73	458	1,144	2,861	5,364	8,941	13,039	16,298	20,373
# Allochris		0	0	0	506	1,122	2,491	4,148	7,139	9,950	13,625	17,906
# Postchemos/Gene Ia		0	0	0	5,988	14,370	34,488	62,079	99,326	139,056	186,867	240,241
Total Units		0	0	73	6,951	16,637	39,841	71,591	114,408	160,045	191,990	230,409
CellPro Net & Sales												
Transfer price = US Price X												
# Autochris		\$0	\$0	\$183	\$1,144	\$2,861	\$7,153	\$13,411	\$22,352	\$32,596	\$40,745	\$50,932
# Allochris		\$0	\$0	\$0	\$1,264	\$2,806	\$6,228	\$10,370	\$15,348	\$19,876	\$22,062	\$25,489
# Postchemos/Gene Ia		\$0	\$0	\$0	\$14,969	\$35,935	\$86,220	\$155,197	\$248,314	\$367,440	\$417,168	\$500,402
TOTAL		\$0	\$0	\$183	\$17,377	\$41,592	\$99,601	\$178,978	\$286,014	\$400,112	\$479,976	\$576,823
PERFORMANCE METRICS												
X Cost of Sales		0.0%	0.0%	25.0%	25.0%	24.0%	23.0%	22.0%	21.0%	20.0%	20.0%	20.0%
Cost of Sales		\$0	\$0	\$45	\$4,237	\$9,782	\$22,450	\$38,568	\$58,662	\$78,422	\$94,075	\$112,900
Gross Margin		80	80	75.0%	75.0%	76.0%	77.0%	78.0%	79.0%	80.0%	80.0%	80.0%
X Gross Margin		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Marketing & Sales		\$0	\$0	\$954	\$5,859	\$12,528	\$29,283	\$52,620	\$84,008	\$117,633	\$141,113	\$169,351
General & Admin		\$0	\$0	\$14	\$1,362	\$3,261	\$7,609	\$14,032	\$22,424	\$31,369	\$37,830	\$45,160
Research & Dev		\$300	\$750	\$1,000	\$1,203	\$1,676	\$2,281	\$3,040	\$3,929	\$5,021	\$6,450	\$8,150
Royalties		\$0	\$0	\$5	\$511	\$1,223	\$2,928	\$5,262	\$9,409	\$14,763	\$21,111	\$26,935
Net Product Contribution	Europe	(\$300)	(\$750)	(\$1,050)	(\$1,657)	(\$2,290)	(\$2,478)	(\$4,738)	(\$7,482)	(\$11,712)	(\$16,409)	(\$21,637)
IBR		111,114										
NPV A		35.0%	\$27,659									
NPV B		25.0%	\$39,013									
NPV C		15.0%	\$38,218									

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Stem Cell System Business Forecast

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Stem Cell System												
Japan												
# Autocells	25%	500	625	781	977	1,221	1,526	1,907	2,384	2,980	3,725	4,657
# Allicells	11%	1,000	1,110	1,232	1,366	1,516	1,685	1,870	2,076	2,305	2,558	2,819
# PostChemos/Geno Tx	10%	30,000	33,000	36,300	39,910	43,923	48,315	53,167	58,462	64,308	70,738	77,812
Penetration Rates												
# Autocells	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.0%	3.0%	8.0%	15.0%	25.0%
# Allicells	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
# PostChemos/Geno Tx	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Unit Sales												
# Autocells	0	0	0	0	0	0	0	19	72	238	559	1,164
# Allicells	0	0	0	0	0	0	0	0	62	184	307	511
# PostChemos/Geno Tx	0	0	0	0	0	0	0	0	565	1,929	4,364	14,066
Total Units	0	0	0	0	0	0	0	19	716	2,332	7,232	15,681
CellPro Mat. Sales												
Transfer price = US price X			50.0%									
# Autocells	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24	\$49	\$98	\$196	\$392
# Allicells	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$78	\$156	\$312	\$624
# PostChemos/Geno Tx	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$731	\$1,462	\$2,924	\$5,848
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24	\$127	\$254	\$508	\$1,016
MARKETING & ADMINISTRATION												
% Cost of sales	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Cost of sales	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12	\$36	\$72	\$144	\$288
Gross Margin												
X Gross Margin	N/A	N/A	N/A	N/A	N/A	N/A	N/A	50%	50%	50%	50%	50%
Marketing & Sales	3%	\$0	\$100	\$150	\$250	\$500	\$551	\$644	\$794	\$960	\$1,152	\$1,392
General & Admin	3%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Research & Dev	3%	\$250	\$300	\$375	\$450	\$550	\$601	\$694	\$833	\$999	\$1,199	\$1,439
Royalties	3%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Product Contribution												
Japan												
EBIT		(\$250)	(\$300)	(\$375)	(\$450)	(\$550)	(\$601)	(\$694)	(\$833)	(\$999)	(\$1,199)	(\$1,439)
NPV		21,243	18,548	15,625	12,500	9,750	7,601	5,848	4,311	3,166	2,375	1,781
		(\$71)	(\$71)	(\$71)	(\$71)	(\$71)	(\$71)	(\$71)	(\$71)	(\$71)	(\$71)	(\$71)
		\$1,738										

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Stem Cell System Business forecast

Stem Cell System	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	
Net Sales	80	80	80	8179	817,251	847,935	8127,197	8272,690	8489,576	8726,619	8660,254	81,071,252
Net Product Contribution	80	80	80	8179	817,251	847,935	8127,197	8272,690	8489,576	8726,619	8660,254	81,071,252
IRR	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%
NPV B	35X	35X	35X	35X	35X	35X	35X	35X	35X	35X	35X	35X
	853,427	853,427	853,427	853,427	853,427	853,427	853,427	853,427	853,427	853,427	853,427	853,427
	25X	25X	25X	25X	25X	25X	25X	25X	25X	25X	25X	25X
	8119,953	8119,953	8119,953	8119,953	8119,953	8119,953	8119,953	8119,953	8119,953	8119,953	8119,953	8119,953
	15X	15X	15X	15X	15X	15X	15X	15X	15X	15X	15X	15X
	8286,105	8286,105	8286,105	8286,105	8286,105	8286,105	8286,105	8286,105	8286,105	8286,105	8286,105	8286,105
Scenario1												
Scenario2												
Scenario3												
Assumptions												
Legal Costs to fight												
Royalty Rate (Loss)												
Royalty Rate (Win)												

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