CELLPRO REPORTS RESULTS FOR FISCAL 1997

FOR IMMEDIATE RELEASE

Contact: Joann Reiter

CellPro Incorporated

(206) 485-7644

e-mail: invest@cellpro.com

Special advisory: This news release contains forward-looking statements.

CELLPRO REPORTS RESULTS FOR FISCAL 1997

SEATTLE -- May 14, 1997 -- CellPro, Incorporated (NASDAQ: CPRO) today reported a net loss of $24.1 million, or $1.67 per share, for its fourth fiscal quarter ended March 31, 1997, and a net loss of $40.9 million, or $2.84 per share, for the 1997 fiscal year. The net loss for the fourth fiscal quarter and for the fiscal year includes a $17 million charge related to on-going patent litigation. Excluding this charge, net loss would have been $7.1 million, or $0.49 per share, for the fourth fiscal quarter and $23.9 million, or $1.66 per share, for the fiscal year ended March 31, 1997. This compares with a net loss of $5.3 million, or $0.37 per share, and $15.7 million, or $1.13 per share, for the fourth fiscal quarter and fiscal year ended March 31, 1996, respectively. At March 31, 1997, the Company's cash, cash equivalents and marketable securities totaled $54 million. Shares issued and outstanding at the fiscal year-end totaled 14.5 million.

CellPro reported $3.1 million in product sales for the fourth fiscal quarter and $9.5 million in product sales for the fiscal year ended March 31, 1997. This compares with $2.3 million and $6.8 million for the fourth fiscal quarter and the fiscal year ended March 31, 1996, respectively. Increased sales of the CEPRATE® SC Stem Cell Concentration System accounted for the improvement. The CEPRATE® SC System is used to provide stem cells to repopulate the bone marrow of patients being treated for diseases such as breast and ovarian cancer, lymphoma, multiple myeloma and acute hematological malignancies. The CEPRATE® SC System is approved for use in the United States, the 18-nation European Economic Area and Canada, and is commercially available in other European countries and in several countries in the Asia Pacific region and Latin America.

Research and development expense totaled $4.2 million and $16.2 million for the fourth fiscal quarter and the fiscal year ended March 31, 1997, respectively. Research and development expense was $4.3 million and $16.5 million for the prior year's fiscal quarter and year ended March 31, 1996, respectively.

The Company has completed patient enrollment in a Phase III trial designed to demonstrate the CEPRATEâ SC System's ability to deplete tumor cells from peripheral blood stem cell transplants in patients being treated for multiple myeloma. This clinical trial is in the post-treatment patient follow-up phase. Additionally, in October 1996, the Company began a multicenter Phase I/II clinical trial utilizing

phase. Additionally, in October 1996, the Company began a multicenter Phase I/II clinical trial utilizing the CEPRATEâ SC System together with a new second generation product, the CEPRATEâ TCD T-Cell Depletion System, for mismatched allogeneic transplantation in children with leukemia. Trial subjects are children who need stem cell transplants, but for whom no matched-donor can be found. These children typically do not have any other viable treatment option. The CEPRATEâ SC System is also being used to deplete T cells from stem cell products used to repopulate the marrow of patients receiving marrow-killing chemotherapy to treat certain autoimmune disorders including multiple sclerosis, rheumatoid arthritis and lupus. The CEPRATEâ SC System is being used in numerous additional clinical trials, including applications in dose-intensified, multicycle chemotherapy to treat solid-tissue tumors and allogeneic matched- and mismatched-donor trials to treat leukemias. Further, the Company is participating in various gene therapy trials in which the CEPRATEâ SC System is used to concentrate stem cells to enhance the efficiency of gene insertion to treat genetic disorders and diseases such as cancer, AIDS and severe combined immunodeficiency (SCID). Additional research and development is underway to develop a number of new products for use in cellular therapeutics and cancer diagnostics.

Selling, general and administrative expenses increased to $5.0 million and $15.4 million for the fourth fiscal quarter and the fiscal year ended March 31, 1997, respectively. This compares with $3.1 million and $12.5 million for the fiscal quarter and the fiscal year ended March 31, 1996. The increase in fiscal year 1997 expenses resulted primarily from higher legal fees and sales and marketing expenses. Legal fees were incurred to defend the Company in patent litigation brought jointly by Baxter Healthcare Corporation, Becton Dickinson & Co. and Johns Hopkins University against the Company, discussed further below. Increased sales and marketing expenses resulted from activities in support of commercialization of the CEPRATE® SC System in the United States and Europe. The US product launch began in December 1996 following FDA approval of the CEPRATE® SC System for purification of stem cells for bone marrow transplantation. The CEPRATE® SC System is the only cell processing system which has been approved by the FDA for this indication.

At March 31, 1997, the Company established an accrual of $17 million to cover potential losses from, and future expenses for, on-going patent litigation. CellPro is optimistic that it will ultimately prevail in this dispute, however, the reserve has been made in recognition of the fact that a judgment against the Company is currently pending at the federal district court level. The amount of damages have not yet been decided by the court. The Company believes that a number of reversible errors have been made by the court, and that the judgment against the Company is contrary to the evidence and facts of the case. As a result, the Company intends to appeal this judgment vigorously. The ultimate amount of damages, if any, and the ultimate amount of future expenses incurred in pursuing this litigation may vary significantly from the amount reserved.

The Company also reported interest income totaling $779,000 for the fourth fiscal quarter and $3.6 million for the fourth fiscal quarter and the fiscal year ended March 31, 1997, respectively. In the prior period, the Company earned $1.1 million and $4.2 million for the fiscal quarter and the fiscal year ended March 31, 1996, respectively. The decrease was due to lower average cash balances available for investment in the current year.

This news release contains forward-looking statements. However, the Company's business involves risks and uncertainties that could cause actual results or events to differ materially from those in such forward-looking statements. Potential risks and uncertainties include, without limitation, those mentioned in CellPro's Annual Report on Form 10-K for the fiscal year ended March 31, 1996, and CellPro's quarterly reports on Form 10Q for the fiscal quarters ended December 31, 1996, September 30, 1996 and June 30, 1996 under the heading "Investment Considerations" and in CellPro's other public filings. Particular attention should be given to the Investment Considerations labeled

"Uncertainty of Product Acceptance" and "Legal Proceedings" in CellPro's Annual Report on Form 10-K for the fiscal year ended March 31, 1996.

CellPro, Incorporated is a biotechnology company in Bothell, Washington specializing in the development, manufacturing and marketing of proprietary continuous-flow, cell-selection systems for use in a variety of therapeutic, diagnostic and research applications.

Financial Summary Follows

CELLPRO, INCORPORATED

(a Company in the development stage)

SELECTED FINANCIAL DATA

Statement of Operations Data:

(unaudited)

	Three Months Ended March 31,		Year Ended March 31,	
	1997	1996	1997	1996
Revenues:				
Product sales	$3,128,228	$2,309,185	$9,515,984	$6,801,985
Related party revenue				6,000,000 *
Contract and other revenue	80,559		146,390	41,600
Total revenue	3,208,787	2,309,185	9,662,374	12,843,585
Costs and expenses:				
Cost of product sales	1,596,895	1,275,172	5,161,389	3,723,421
Research and development	4,188,031	4,307,083	16,243,501	16,474,133

Selling, general and administrative	4,995,660	3,097,890	15,379,650	12,515,870
Litigation provision	17,000,000		17,000,000	
Total costs and expenses	27,780,586	8,680,145	53,784,540	32,713,424
Loss from Operations	-24,571,799	-6,370,960	-44,122,166	-19,869,839
Other income (expense):				
Interest income	778,726	1,082,849	3,590,157	4,164,218
Interest expense	-7,413	-15,099	-46,053	-86,718
Other, net	-308,348	-15,915	-337,323	139,679
Total other income	462,965	1,051,835	3,206,781	4,217,179
Net loss	($24,108,834)	($5,319,125)	($40,915,385)	($15,652,660)
Net loss per share	($1.67)	($0.37)	($2.84)	($1.13)
Weighted average number of shares outstanding	14,478,735	14,282,214	14,421,908	13,847,929

	March 31,1997	March 31,1996
Balance Sheet Data:		

Cash, cash equivalents and marketable securities	$54,043,175	$74,143,851
Total assets	76,123,697	97,941,349
Long-term debt, net of current portion	152,943	208,001
Total stockholders' equity	52,780,648	92,213,233

* This is non-recurring revenue received for prior research and development services rendered by CellPro as part of the termination of business arrangements between CellPro and Corange International Ltd.

Return