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**Today's bondholders' meeting of Cytos Biotechnology Ltd did not obtain sufficient votes to validly pass the convertible bond restructuring proposal. Cytos will try to obtain further votes from those bondholders who did not cast their vote.**

Schlieren (Zurich), Switzerland, November 10, 2011 - As announced on October 20, 2011, Cytos Biotechnology Ltd has convened a bondholders' meeting today with the aim to approve the proposed restructuring of the outstanding convertible bonds.

Compared to the terms announced on October 20, 2011, the Company offered the following substantial improvements to the bondholders:

- Repayment of the remaining 50% of nominal value per bond outstanding increased from 100% to 150%
- Repayment in case of early redemption by Cytos increased from 100% to 150%
- Withdrawal of the early redemption at the option of Cytos at any time
- Cytos' right to redeem all outstanding bonds at 150% of their principal amount if the closing price of Cytos' shares for 20 consecutive trading days exceeds a certain threshold increased from 140% to 190%

In total 51.37% of the outstanding nominal value of CHF 35'945'000 were represented at the bondholders' meeting and voted as follows on the five presented resolutions:

- 50.95% of the outstanding nominal value (representing 99.19% of the nominal value present) voted in favour of resolution 1, while 0.28% voted against the resolution. 0.14% of the outstanding nominal value abstained from voting.
- 51.37% of the outstanding nominal value (representing 100% of the nominal value present) voted in favour of resolution 2.
- 51.34% of the outstanding nominal value (representing 99.95% of the nominal value present) voted in favour of resolution 3, while 0% voted against the resolution. 0.03% of the outstanding nominal value abstained from voting.
- 48.92% of the outstanding nominal value (representing 95.23% of the nominal value present) voted in favour of resolution 4, while 2.42% voted against the resolution. 0.03% of the outstanding nominal value abstained from voting.
- 49.58% of the outstanding nominal value (representing 96.51% of the nominal value present) voted in favour of resolution 5, while 1.65% voted against the resolution. 0.14% of the outstanding nominal value abstained from voting.

Therefore, the required quorum of two thirds of the outstanding nominal value to validly pass the resolutions was not obtained.

Key reasons for this outcome are as follows:

- The required quorum of two thirds of the outstanding nominal value is a high hurdle and therefore difficult to achieve in general, as it is quite common that a substantial number of bondholders does not take advantage of the opportunity to vote on a bondholders' meeting.
- Apart from a few major bondholders, the bondholder base of Cytos is fairly fragmented and only a limited number of bondholders are known to Cytos. Therefore, Cytos' ability to actively contact bondholders in order to gain their support for the suggested amendments is limited.
- The overall response rate has only been around fifty percent resulting in around fifty percent who did not cast their vote thereby having the same effect as if the vote would have been "no".
- Cytos' is not allowed to vote with its substantial number of treasury bonds.

In accordance with Swiss law Cytos has now a period of two months to obtain further votes from bondholders who were neither present nor represented at today's bondholder meeting. Cytos will update on the progress of these efforts in due course. Furthermore, the Company will assess all options going forward.

For further information please contact:

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**About Cytos Biotechnology Ltd**

*Cytos Biotechnology Ltd is a Swiss public biotechnology company that specializes in the discovery, development and commercialization of a new class of biopharmaceutical products – the Immunodrugs™. Immunodrugs™ are intended for use in the treatment and prevention of common chronic diseases, which afflict millions of people worldwide. Immunodrugs™ are designed to instruct the patient's immune system to produce desired therapeutic antibody or T cell responses that modulate chronic disease processes. The Immunodrug™ candidates are developed both in-house and together with Novartis, Pfizer and Pfizer Animal Health. Founded in 1995 as a spinoff from the Swiss Federal Institute of Technology (ETH) in Zurich, the Company is located in Schlieren (Zurich). Cytos Biotechnology Ltd is listed on the main segment at the SIX Swiss Exchange (SIX:"CYTN").*

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