U.S. Securities And Exchange Commission
Washington, D.C. 20549

FORM 10-KSB

[X] ANNUAL REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the fiscal year ended NOVEMBER 30, 1998

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934.

Commission File Number 000-23386

CRYO-CELL INTERNATIONAL, INC.
(Name of Small Business Issuer in its charter)

DELAWARE	22-3023093
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

3165 MCMULLEN BOOTH ROAD, BLDG. 5, CLEARWATER, FL 33761
(Address of principal executive offices) (Zip Code)

Issuer's telephone number: (727) 723-0333

Securities registered pursuant to Section 12 (b) of the Act:

Title of each class	Name of each exchange on which registered
NONE	

Securities registered pursuant to Section 12 (g) of the Act:

COMMON STOCK, PAR VALUE $.01 PER SHARE
(Title of class)

Check whether Issuer: (1) has filed all reports required to be filed by section 13 or 15 (d) of the Securities and Exchange Act of 1934 during the past 12 months and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Rule 405 of Regulation S-K is not contained herein, and will not be contained, to the best of issuer's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form or any amendment to this Form 10-KSB [ ]

Issuer's Revenues for its most recent fiscal year: $331,134.

As of January 29, 1999, the aggregate market value of the voting stock held by non-affiliates of the Issuer was approximately $15,229,300. The market value of Common Stock of the Issuer, par value $0.01 per share, was computed by reference to the average of the closing bid and asked prices of the Issuer's Common Stock on such date which was 2 11/32.

Check whether the issuer has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by a court. Yes [ ] No [ ].

The number of shares outstanding of the Issuer's Common Stock, par value $0.01 per share, as of January 29, 1999: 8,105,598.

DOCUMENTS INCORPORATED BY REFERENCE

Documents incorporated by reference: The information required by Part III of Form 10-KSB is incorporated by reference to the Issuer's definitive proxy statement relating to the 1999 Annual Meeting of Shareholders which is expected to be filed with Securities and Exchange Commission on or about March 30, 1999.

Transitional Small Business Disclosure Format (check one):
Yes [ ]; No [X]

FORWARD LOOKING STATEMENTS

In addition to historical information, this report contains forward-looking statements within the meanings of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. The forward-looking statements contained herein are subject to certain risks and uncertainties that could cause actual results to differ materially from those reflected in the forward-looking statements. Factors that might cause such a difference include, but are not limited to, those discussed in the section entitled "Management's Discussion and Analysis or Plan of Operation -- Factors That May Affect Future Results and Market Price of Stock." Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management's analysis only as of the date hereof. CRYO-CELL International, Inc. (the "Company") undertakes no obligation to publicly revise these forward-looking statements to reflect events or circumstances that arise after the date hereof. Readers should carefully review the risk factors described in other documents the Company files from time to time with the Securities and Exchange Commission, including the Quarterly Reports on Form 10-Q to be filed by the Company in 1999 and any Current Reports on Form 8-K filed by the Company.

PART I

ITEM 1. DESCRIPTION OF BUSINESS

INTRODUCTION

CRYO-CELL International, Inc., is a Delaware Corporation, incorporated on September 11, 1989. It is engaged in cellular storage and the design and development of cellular storage devices. During the period since its inception, the Company's activities have principally involved the design and development of its cellular storage unit ("CCEL Cellular Storage Unit") and in securing patents on the same. The Company's primary focus is to utilize its cellular storage experience and technology for the cryopreservation of umbilical cord blood (U-Cord(TM)) stem cells in its own processing and cryopreservation facility at its Clearwater, Florida headquarters. During 1999, all U-cord(TM) blood processing and preservation will be done at the Company's facility with the exception of those specimens processed at Women & Infants Hospital in Providence, Rhode Island.

During 1998 the Company consolidated its new specimen processing and storage activities to its own state of the art facility in its Clearwater, Florida headquarters. It is anticipated that this shift in focus will limit the number of new Lifespan(SM) Center implementations in the future.

The Company believes that its long term cellular storage unit will provide an improved ability to store cells or other material in liquid nitrogen, its vapors or other media. The unit is controlled by a computer system which robotically inserts vials in pre-selected storage areas inside the chamber. Additionally, the stored material can be robotically inserted or retrieved by computer on an individual basis without all of the remaining specimens being exposed to ambient temperature. The efficient use of storage space and dual identification system for inventory control is a competitive advantage for the Company. The Company is the assignee of all patents on the units.

BACKGROUND

Nearly fifty years ago researchers discovered that cells could be cryopreserved at an extremely low temperature and all cellular activity would cease until the specimens were thawed. Historically, cryopreservation was required for organ transplants, blood banks and medical research. Today cryopreservation is an integral component of evolving cellular therapies.

CELL BANKING

Hematopoeitic stem cells are the building blocks of our blood and immune systems. They form the white cells that fight infection, red cells that carry oxygen throughout the body and platelets that promote healing. Stem cells are found in bone marrow where they continue to generate cells throughout our lives. Stem cells can be kept in a cryogenic environment and upon thawing infused into a patient. They can be returned to the individual from whom they were taken (autologous) or donated to someone else (allogeneic). The opportunity to use an individual's own marrow for a transplant is dependent upon whether the cancer has entered the marrow system (metastasized). Otherwise, a marrow donor needs to be identified to provide the needed bone marrow. The availability of a marrow donor or stem cell specimen allows physicians to administer larger doses of chemotherapy or radiation in an effort to eradicate the disease.

Stem cells can be found in umbilical cord and placenta blood ("cord blood stem cells") which can be collected and stored after a baby is born. Recent advances have provided the techniques to separate the stem cells found in these two sources. As of the end of 1998, over 1,000 cord blood stem cell transplants have been performed. The Company believes that parents will want to save and store these cells for potential future use by their child. These stem cells could also have at least a 1 in 4 chance of being compatible for use by a sibling. Moreover, researchers believe they may be utilized by parents in the future.

The Company believes that the market for cord blood stem cells is enhanced by the current focus on reducing prohibitive health care costs. With the increasing costs of bone marrow matches and transplants, newborn's U-Cord(TM) cells are stored as a precautionary measure. Medical technology is constantly evolving which may provide new uses for cryopreserved cord blood stem cells.

Another significant application for cellular storage is the storage of cancerous tumor tissue taken from a newly diagnosed patient prior to commencing treatment. This tissue could serve several functions in support of the treatment process. First, it may provide a vehicle for the doctor to test the effects of a proposed course of treatment on the diseased tissue prior to administering it to the patient. Secondly, the effects of a course of treatment could be monitored by comparing tumor cells gathered after the treatment to those stored prior to the commencement of treatment.

Sperm storage is another potential use of the Company's unit. Male cancer patients of child bearing age can store sperm to protect their ability to have children in the event they are rendered impotent due to chemotherapy or radiation treatment.

CCEL CELLULAR STORAGE UNITS

Currently available units from other providers of cryopreservation systems are manually operated and can expose the laboratory technician to liquid nitrogen when inserting or retrieving specimens. Moreover the use of these units, exposes the remaining stored specimens to ambient temperature whenever specimens are inserted or retrieved. CRYO-CELL has designed and holds patents on a system which makes use of the latest in computer, robotics, and bar code laser scanning identification technology.

The unit is currently assembled by an independent manufacturer utilizing the Company's patented design. The Company has been advised by Underwriters Laboratories ("U/L") that it has passed all required inspections and the unit is now U/L listed. In order to affix the U/L label to all units that are deployed in the future, they must contain the same parts, operating capabilities and features as in the tested CCEL II model.

In February 1999, the Company was informed that the patent on the CCEL III computer controlled robotically operated cellular storage system has been granted. The CCEL III is designed to be multi-functional and to meet International manufacturing requirements. When completely developed the unit will be able to store more than 35,000 specimens stored in 5ml vials. Moreover, as many as 8 million 1 inch vials could be preserved in approximately 2,500 square feet. The prototype is expected to be completed in the third quarter of 1999.

LIFESPAN(SM) CENTERS

In June 1998, the Company signed an agreement with Women & Infants Hospital of Rhode Island for the establishment of a commercial placental/umbilical cord blood bank at their Providence, Rhode Island medical facility. Women & Infants Hospital currently has annual births in excess of 9,000 babies and will be offering its stem cell banking services to these parents. The laboratory is expected to open at Women & Infants in the second quarter of 1999.

With the exception of Women & Infants Hospital, the Company has decided to limit the processing and storage of specimens to the Company's own state of the art laboratory in Clearwater, Florida.

MARKETING CELLULAR STORAGE SERVICE

Over four million babies are born in the United States annually. The Company has targeted the stem cell cryopreservation market as its initial focus.

CRYO-CELL has renewed its agreement with the Lamaze Publishing Company to sponsor the Lamaze YOU AND YOUR BABY tutorial tape. The agreement calls for Lamaze to distribute the videotape to 1.8 million women in their third trimester of pregnancy. Over 90% of first time mothers and 45% of the pre-natal market avail themselves of the Lamaze Institute for Family Education proven instruction program. The tutorial tape, which will be distributed by over 12,000 instructors, discusses the importance of cord blood storage and refers viewers to the full page ad the company has placed in the Lamaze Parents Magazine, which will be distributed to 2.4 million expectant mothers. In addition, the Company will also place an ad in "Revista Lamaze para Padres", Lamaze Publishing's magazine for Hispanic mothers-to-be. The Company has exclusivity on the tutorial tape in the cord blood storage category and first right of refusal for renewal of the agreement beyond 1999.

In June 1998, the Company entered into an agreement with International Broadcast Corporation (IBC). IBC is responsible for the production of a one-half hour infomercial relating to CRYO-CELL's U-Cord(TM) stem cell processing and storage activities. The Company has been advised by the producer that the infomercial is expected to be completed and shown on television to approximately 50 million people in the spring of 1999.

In June 1998, the Company was granted a license to operate in the state of New York. The New York Department of Health has approved the Company's application to operate as a comprehensive tissue procurement service, processing and storage facility. This license allows the Company to offer its cord blood stem cell banking services to the residents of New York, which represents a new market in excess of 270,000 annual births.

In September 1998, the Company acquired Medical Marketing Network, Inc. and the services of Steven Ferens for shares of the Company's common stock. Medical Marketing Network, Inc. has approximately 70 independent sales contractors that call on and sell products to more than 6,000 obstetricians and gynecologists (OB/GYNs) across the country. The contract is primarily performance based, with a goal of 45,000 stored specimens by the third year. The Company's marketing program will

now have extensive representation with the medical community. The Company's current affiliation with Lamaze and other programs are designed to reach expectant parents. This acquisition will allow physicians to make their OB patients more aware of this medical technology.

CRYO-CELL has established a Medical & Scientific Advisory Board comprised of more than 20 researchers, physicians and scientists from various fields such as oncology, stem cell research, hematology, genetic research, assisted reproduction and other specialties. Many of the Company's Advisory Board members are heads of their departments and are committed to cellular storage as part of new services to improve patient care and save lives.

The Company markets its cellular banking services by targeting expectant parents through direct information to obstetricians, pediatricians, Lamaze instructors, childbirth educators, certified nurse-midwifes and other related healthcare professionals. In addition, the Company exhibits at conferences, trade shows and other media which focus on the expectant parent market. Of significant note is the increasing level of interest being generated by the Company's website, CRYO-CELL.com.

REVENUE SHARING AGREEMENTS

ARIZONA. On February 9, 1999, the previous agreements with the Company's Arizona Revenue Sharing Partners were modified. The investors entered into Revenue Sharing Partnership Agreements for the state of Florida. The Company will credit the investors $450,000 (previously paid) toward the purchase of the partnership. The balance of $550,000 will be paid through their entitlements. The Revenue Sharing Partnership applies to paid for specimens originating from the birth of clients in the state of Florida. The Revenue Sharing Partnership covers a total of 33,000 spaces and cancels the investors previous obligation to provide the Company with $675,000 plus accrued interest.

ILLINOIS. In 1996, the Company signed agreements with a group of investors entitling them to an on-going 50% share in CRYO-CELL's portion of net storage revenue generated by the specimens stored in the Illinois Masonic Medical Center. Since the Company will no longer be storing new specimens in Chicago, the agreements were modified in 1998 to entitle the investors to a 50% share of the Company's portion of net revenues relating to specimens originating in Illinois and contiguous states and stored in Clearwater up to 33,000 spaces. The revenue generated by this Single Unit Revenue Sharing Agreement was $1,000,000.

BIO-STOR. On February 26, 1999, the Company modified all previous agreements with Bio-Stor International, Inc. The modified agreement enters Bio-Stor into a Revenue Sharing Partnership Agreement for the state of New York. The Company will credit Bio-Stor's $900,000 (previously paid) toward the purchase of 90% of the New York partnership. Bio-Stor will receive 90% of the 50% share in CRYO-CELL's portion of net storage revenues generated by the specimens originating from the Company's clients in the state of New York for up to 33,000 shared spaces. This agreement supersedes all other agreements between Bio-Stor International, Inc and the Company.

TENET HEALTHCARE CORPORATION. On November 30, 1996, the Company signed agreements with OrNda HealthCorp. In addition to the Lifespan(SM) agreement, two "one-third" Revenue Sharing Agreements were purchased in which OrNda paid CRYO-CELL $666,666. OrNda was acquired by Tenet Healthcare Corporation which agreed to be bound by the terms of the Lifespan(SM) and Single Unit Revenue Sharing Agreements. Due to the commencement of processing and storage at the Company's Clearwater facility and the Company's change of Lifespan(SM) strategy, negotiations are currently underway in which the Company is offering to store all Tenet originated specimens in Florida while paying Tenet a partnership entitlement.

VISCOUNT SECURITIES. The Company signed an agreement with Sachem (Viscount Securities) which was not brought to fruition and was terminated. Sachem is entitled to storage revenue based upon their $400,000 non-refundable deposit which was paid in May 1997, in the form of 100,000 shares of a NASDAQ small cap stock. The Company is free to negotiate replacement agreements and intends to do so.

PATENTS

The Company has been granted patents with respect to its cellular storage unit. In addition the Company has filed several additional United States and foreign patents. There can be no assurances, however, that the pending patent applications will be issued as patents or, if issued, that the patents will provide the Company with significant protection against competitors.

COMPETITION

The Company is aware of several competitors in the marketplace. Each of these companies, Viacord, Cord Blood Registry and Corcell, charge a considerably higher price for their services than CRYO-CELL. The Company believes it will be able to successfully compete due to its marketing approach and the fact that it currently has the most affordable program in the United States.

RESEARCH AND DEVELOPMENT

The Company has expended $352,743 during fiscal 1998 , compared to $204,117 during fiscal 1997 on research and development. The research and development exposure is attributed to the design, development and approval of its CCEL III technology.

GOVERNMENT REGULATION

Since the inception of the development of the cellular storage unit, it has been the opinion of management and legal counsel that the CCEL Cellular Storage Unit is a class I device and falls under the Food and Drug Administration's (FDA) regulations at 21 C.F.R. ss. 862.2050 ("general purpose laboratory equipment labeled and promoted for a specific medical use"). Devices regulated under 21 C.F.R. ss. 862.2050 are specifically exempt from the 510(k) notification requirements. There is no assurance that in the future the FDA would not classify the unit as a class II device requiring the Company to file for an equivalency in order to be able to continue commercial use of the unit.

If the Company is required to file for equivalency to existing equipment, the notification under section 510(k) of the Federal Drug Act will include statements that the cellular storage units for cryopreservation are substantially equivalent to cryopreservation units on the market prior to the enactment of the Medical Device Amendments of 1976. Total review time, according to statistics published in MDDI Reports (Medical Devices, Diagnostics & Instrumentation) by F-D-C- Reports Inc., for all 510(k)s approved by the FDA as of October 19, 1995, was 135 days, on average, with 1/2 being completed in 91 days or less. If the cryopreservation unit is so accepted as substantially equivalent by the FDA, marketing can continue. There is no assurance that the FDA will allow an equivalency.

While management believes FDA approval will not be necessary, in the event that the cryogenic unit is not accepted as substantially equivalent by the FDA it would require the Company to develop significant test data proving the reliability of the unit which would take a significant amount of time. Also, there can be no assurance that the Company will be granted the right to produce the unit for distribution in the U.S. or that if it is granted the right, it will be accomplished in a time frame that will not negatively impact the potential future revenue of the Company.

EMPLOYEES

At present there are 14 employees on the staff of the Company. Daniel D. Richard serves as the Chairman of the Board and Chief Executive Officer.

In February 1998, Gerald F. Maass joined the Company as Executive Vice President and General Manager. Mr. Maass resigned from a 10 year tenure with Johnson & Johnson (Critikon) where he served as International Director of Marketing. Mr. Maass' international contacts will be invaluable in the development of strategic alliances for the Company's proprietary technology in foreign markets. Along with extensive marketing experience, Mr. Maass also brings to CRYO-CELL experience in the medical technology field. In September 1998, Mr. Maass was appointed a member of the Company's Board of Directors.

In February 1999, Steven E. Ferens joined the Company serving a dual role as Assistant to the President and as Vice President of Sales. Mr. Ferens will also remain in his role as President of Medical Marketing Network, Inc., a wholly owned CRYO-CELL subsidiary. Prior to joining the Company, Mr. Ferens served as Vice President of Sales for Atrion Corp./Quest Medical in Texas, where he built a national sales and marketing division to commercialize the medical technology developed by that company. In 1991, Mr. Ferens founded Progressive Development, Inc. in Oceanside, NY, where he has served as President since inception. The Company develops Internet based on-line product/pricing information systems for hospital purchasing departments.

Additional employees and staff will be hired on an "as needed" basis. The Company believes its relationship with its employees to be excellent and therefore does not contemplate any labor disputes.

NET/TECH INTERNATIONAL, INC.

At November 30, 1998 CRYO-CELL owned 1,557,711 shares of Net/Tech International, Inc. common stock (Net/Tech NASD Bulletin Board symbol...NTTI) which represented 16.7% of the outstanding shares (9,325,341 shares total) of this company.

INVESTOR RELATIONS

In November 1998, the Company signed an agreement with Saggi Capital Corp. to handle the investor relations program for CRYO-CELL. Saggi Capital Corp. represents emerging dynamic companies. The Company's relationship with Saggi Capital Corp. will increase the visibility of the Company in the financial community and future exposure to institutional investors.

FINANCIAL ADVISORY

In February 1999, the Company signed an engagement agreement with Dublind Partners, Inc., a highly respected, Connecticut based financial advisory and securities firm, to raise up to $7,000,000 in investment capital for the Company through a private placement of preferred stock and warrants. Dublind's focus is to raise capital and strategic planning for firms with patented technology in growing markets.

ITEM 2. DESCRIPTION OF PROPERTY

The Company entered into a long term lease in September 1997 for the corporate headquarters in Clearwater, Florida containing 7,500 square feet. The facility contains executive offices, conference and training center, state of the art laboratory and supporting scientific offices.

ITEM 3. LEGAL PROCEEDINGS

I. In December, 1992, CRYO-CELL entered into an exclusive agreement with the University of Arizona to develop and enhance a commercial (paid for) autologous cord blood stem cell bank. CRYO-CELL provided the means for the University to obtain approximately 1400 paying clients. Prior to the termination of the exclusive agreement, which CRYO-CELL alleges was unwarranted, the University breached its contract with CRYO-CELL and entered into an Agreement with Cord Blood Registry, Inc. (CBR).

On or about July 11, 1996, CRYO-CELL filed suit in San Francisco Superior Court against the University of Arizona, Dr. David Harris and Cord Blood Registry, Inc. The suit claimed breach of contract and other related business torts. Months later, after settlement discussions were unproductive, the University of Arizona counter-sued CRYO-CELL for breach of contract and negligent misrepresentation.

Evidence surfaced at trial corroborating that in a subsequent contract between the University of Arizona and CBR, the parties had indemnified each other against:

a. the interference in a legitimate business arrangement between CRYO-CELL and the University of Arizona

b. disparagement of CRYO-CELL

c. wrongful use of CRYO-CELL's material

On July 20, 1998, as a result of the evidence, the jury awarded $1,050,000 against defendant University of Arizona. In addition, an award of $120,000 was granted against the University of Arizona and David Harris, individually, for misappropriation of trade secrets. The jury voted unanimously against the University and in favor of CRYO-CELL as to the counter claims.

Three post-trial motions by the University of Arizona including a request to reduce the award or set aside the verdict were rejected by the court. The University is now appealing the judgment. The University has expressed a willingness to enter into settlement talks as to the appeal but no such talks have commenced. The appellate briefs have yet to be filed.

II. CRYO-CELL retained the services of Horwitz & Beam, a California law firm, to handle the above described lawsuit including its allegations against CBR for interference in a legitimate contract between two parties and unfair business practices, among other claims. The court granted a summary judgment dismissal in favor of CBR. CRYO-CELL believes that Horwitz & Beam mishandled the CBR aspect of the case. The

Company is contemplating suing Horwitz & Beam for malpractice. Horwitz & Beam deny any wrong doing in this matter.

III. There is a dispute concerning the amount of fees owed by the Company to Horwitz & Beam. The Company has requested arbitration of the dispute. A panel of the Orange County Bar Association is scheduled to hear arguments on April 26, 1999. Despite the scheduled arbitration date, on March 8, 1999, the Company was served with a law suit filed in Orange County Superior Court by its former attorneys, alleging contractual breach and related claims because CRYO-CELL did not transfer stock to pay advance payments requested prior to trial. This transaction relates to the fee dispute which is covered by the California Statute requiring mandatory arbitration rights for clients.

The Company believes that the naming of certain officers and the Company attorney individually, (although they were operating in their corporate capacities) is an abuse of the civil process and, moreover, is an attempt to interfere with the Company's ability to raise additional capital.

The plaintiff alleges breach of contract and seeks payment of $129,822 in allegedly unpaid fees and costs associated with the University of Arizona litigation. The plaintiff also asserts claims of misrepresentation. In reference to these misrepresentation claims, the plaintiff has filed a "Statement of Damages" which asserts $1,000,000 in general damages and $3,500,000 in punitive damages.

The Company believes there is no merit to the suit. The Company believes that none of the claimed $129,822 in fees is due and owing under and contract with the plaintiff. Furthermore, the Company believes that the plaintiff is not entitled to any punitive damages under Section 3294(a) of the California Civil Code, which does not authorize punitive damages in an action for breach of an obligation "arising from contract."

IV. In 1998, CRYO-CELL settled its suit filed against defendant Stainless Design Corporation. The suit was against the manufacturer of the CCEL II multi-faceted storage unit claiming breach of contract and other causes of action. The case was settled wherein Stainless Design Corp. delivered all parts, materials and equipment to the company's designee as well as 25,000 shares of CRYO-CELL stock. Mutual releases were exchanged and the suit dismissed. The CCEL II units are now being assembled by Advance Digital Motion.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

PART II ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

In January of 1997, the Company's stock began trading on the NASDAQ Small Cap market. The Company's common stock traded on the Over-The-Counter market since January 10, 1991, the date of the Company's initial public offering. The following table shows, for the calendar periods indicated, the high and low closing bid quotations for the Company's common stock as reported by the Dow Jones Retrieval Service. The quotations represent inter-dealer prices without retail mark-up, mark-down or commission and may not represent actual transactions.

	HIGH	LOW
1997		
February 28, 1997	6 1/4	6
May 31, 1997	4 1/2	4 3/8
August 31, 1997	3 23/32	3 1/4
November 30, 1997	3 1/8	3 1/8
1998		
February 28, 1998	4 1/16	2 5/8
May 31, 1998	4 1/8	2 9/16
August 31, 1998	2 5/8	1 1/8
November 30, 1998	3	9/16

The Company has not declared any cash dividends on its common stock and does not expect to do so in the near future.

As of January 31, 1999, the Registrant had 382 shareholders of record, and management believes there are approximately 975 additional beneficial holders.

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

The following discussion and analysis of the financial condition and results of operations of the Company for the two years ended November 30, 1998, should be read in conjunction with the financial statements and related notes as well as other information contained in this Annual Report on Form 10-KSB.

GENERAL

The Company is engaged in cryogenic storage and the design and development of cellular storage devices used in its cellular storage programs. During the period since its inception, the Company's activities have principally involved the design and development of its cellular storage unit ("CCEL Cellular Storage Unit") and in securing patents on the same. While the Company's patented cellular storage unit is capable of multi-faceted storage, the Company has targeted the cryopreservation of umbilical cord blood stem cells as its initial entry into the cellular storage market. The Company has been financed primarily through both the private and public equity markets.

The revenue recognized to date has been primarily from the sale of Revenue Sharing Agreements. These agreements can take considerable time to negotiate and come to fruition. Moreover, since such agreements can involve millions of dollars, there can be wide swings in revenue and earnings from quarter to quarter and possibly year to year. The most recent Revenue Sharing Agreement was recognized during fiscal 1997. During fiscal 1998 the Company's revenues were the direct result of its sales to customers for its U-Cord(TM) program.

RESULTS OF OPERATIONS

Fiscal 1998 was a year of contrasts. While on the surface it appears that revenues decreased and expenses increased, it was a year of positive transition. Direct sales to customers increased significantly and have continued to do so in fiscal 1999.

SALES. For the year ended November 30, 1998, the Company had revenues of $331,134 compared to $417,913 in the prior fiscal year. The majority of revenues in 1997 was from the sale of a Revenue Sharing Agreement. When adjusted for the impact of said Revenue Sharing Agreement, the actual processing and storage revenue from sales to customers increased significantly during fiscal 1998. The trend has continued upward into fiscal 1999.

COST OF SALES. In the fiscal year ended November 30, 1998, cost of sales were $218,018 compared to $46,047 in the prior period. In fiscal 1997, $40,143 of the total of cost of sales represented the assignment of a proportionate share of the cost of equipment associated with the Revenue Sharing Agreements to cost of sales. In fiscal 1998, $128,861 of the total cost of sales represents fees to Reproductive Genetics Institute at the Illinois Masonic Medical Center in Chicago, Illinois for the processing of the U-Cord(TM) specimens prior to the commencement of processing and storage in the Company's state of the art laboratory in Clearwater, Florida. The remaining cost of sales in fiscal 1998 represents the associated expenses resulting from the processing and testing of the U-Cord(TM) specimens in the Company's own operations.

MARKETING, GENERAL AND ADMINISTRATIVE EXPENSES. Selling, general and administrative expenses during the twelve months ended November 30, 1998, were $1,866,033 as compared to $1,625,082 in 1997. The increase reflects the expense of market development, lab operations support and client services associated with the Company's cellular storage program and Revenue Sharing Agreements, the expense of voluntary Underwriter Laboratory approval for the Company's cellular storage unit, continued product development, and the establishment of an expanded management team to handle the continuing growth.

RESEARCH, DEVELOPMENT AND RELATED ENGINEERING EXPENSES. Research, development and related expenses during the twelve months ended November 30, 1998, were $352,743 as compared to $204,117 in 1997. The increase reflects the implementations of modifications to the Company's second generation cellular storage unit, as well as, the research and development of the Company's third generation cellular storage system.

OTHER. During the twelve months ended November 30, 1998, the Company realized a gain of $515,574 on the sale of common stock of Net/Tech International, Inc., compared to $443,152 in 1997. During fiscal 1998, the Company wrote off a $250,000 deposit on equipment as part of the settlement with Stainless Design Corp. During fiscal 1997, the Company wrote off $172,843 associated with discontinued equipment. During fiscal 1998, the Company recognized the equity in the loss of its unconsolidated affiliate (Net/Tech International, Inc.) of $455,271 as compared to $402,245 in the 1997.

MATERIAL FOURTH QUARTER ADJUSTMENTS. The results for the fourth quarter ending November 30, 1998, include the following adjustments: (1) the reversal of the accrual of the anticipated litigation settlement of $580,800 (net); the litigation has since been appealed, (2) the write-off of the deposit of $250,000 and correction of the third quarter accounts payable write-off relative to the SDC settlement, (3) adjustment regarding accounting treatment of the investment in Net/Tech International, Inc.. Taken together, these fourth quarter items had a significant adverse effect on fourth quarter earnings.

LIQUIDITY AND CAPITAL RESOURCES

At November 30, 1998, the Company had cash and cash equivalents of $499,696 as compared to $814,516 at the end of fiscal 1997. The decrease in cash and cash equivalents was a result of the funding of operations.

To date, the Company's sources of cash have been from the issuance of its own equities, the sale of Revenue Sharing Agreements, the borrowing on a revolving line of credit, the borrowing on a convertible loan and the sale of subsidiary stock. The sale of subsidiary shares alone generated $515,574 in fiscal year 1998.

The Company anticipates that cash reserves, cash flows from operations and the anticipated sale of its preferred stock will be sufficient to fund its growth. Cash flows from operations will depend primarily on increasing revenues resulting from an extensive umbilical cord blood cellular storage marketing campaign. The Company's direct sales of its U-Cord(TM) cellular storage program have begun to increase significantly due to the awareness being created through its activities with Lamaze Publishing, Medical Marketing Network, the Company's website and other forms of marketing exposure.

YEAR 2000

The Company has analyzed the Year 2000 (Y2K) impact on its business and has determined that this will not have a material impact to the Company's business, products, operations or financial condition. The Company does not use any internally developed application platforms. All business support systems and applications are created on commercially available packages that are either already confirmed to be Y2K compliant, or will be compliant with an upgrade to the latest release. All software upgrades are scheduled to be completed during the second quarter of 1999. An Integrated Systems Test will be scheduled once all of the software applications have been upgraded.

The outside independent contractor responsible for manufacturing the CCEL II Cellular Storage System has certified that, once the operating system and database applications have been upgraded to the most current release, it will be Y2K compliant. The upgrades are scheduled to be implemented during the second quarter of 1999.

The Company has required commitment from its vendors that they will provide the Company uninterrupted service before, during, and after January 1, 2000. All of the mission critical vendors the Company uses are either already Y2K compliant, or will be compliant by the end of the third quarter of 1999.

FACTORS THAT MAY AFFECT FUTURE RESULTS AND MARKET PRICE OF STOCK

The Company operates in a rapidly changing environment that involves numerous risks, some of which are beyond the Company's control. The following discussion highlights some of the risks the Company faces.

MARKET ACCEPTANCE FOR CRYOPRESERVED STEM CELLS. The market for cryopreserved stem cells has gained increasing support from the medical community. While the market is still relatively new, the Company believes it will gain increasing popularity due in part to the medical attention. The Company is relying upon significant market growth to meet future revenue projections.

POSSIBLE NEED FOR ADDITIONAL CAPITAL. The Company has entered into an agreement with Dublind Partners, Inc. to raise up to $7,000,000 through equity financing. This financing, when completed, is more than sufficient to fund its operations as well as to provide capital for expanded marketing programs and international expansion. There can be no assurance that such capital will be available.

COMPETITIVE ENVIRONMENT. In the Company's opinion, the potential medical benefits for cryopreserved stem cells is likely to attract additional competitors in the market. The Company believes its storage and marketing edge will enable it to offer a more affordable service than its competitors. The Company believes it can compete successfully on the basis of volume and its pricing advantage.

UNEVEN PATTERN OF QUARTERLY OPERATING RESULTS. The Company's revenue in general, and in particular its Revenue Sharing Agreement revenues, are difficult to forecast and can vary from quarter to quarter due to various factors, including (1) the relatively long sales cycles for these Agreements, and (2) the size and timing of individual Agreement transactions. Notwithstanding the revenues from Revenue Sharing Partnership Agreements, the Company's sales from its U-Cord(TM) program are increasing dramatically and the Company believes it will rely on these sales from operations to a more significant extent during fiscal year 1999 and beyond. The accrual of the Company's annual storage fees will increasingly add to its base revenues

MANAGEMENT OF GROWTH. The Company anticipates rapid growth in capitalizing on the opportunity in cryopreserved stem cells. The Company's future operating results will depend on management's ability to manage growth, continuously hire and retain qualified employees, forecast revenues and control expenses. An unexpected decline in the growth rate of revenues without a corresponding and timely slowdown in expense growth could have a material adverse effect on the Company's business, results of operations or financial condition.

ENFORCEMENT OF THE COMPANY'S INTELLECTUAL PROPERTY RIGHTS. The Company relies on a combination of the protections provided under applicable patent, copyright, trademark and trade secret laws. It also relies on confidentiality procedures and licensing arrangements to establish and protect its rights in its products and services. Despite the Company's efforts to protect these rights, it may be possible for unauthorized third parties to copy certain portions of the Company's products or to reverse engineer or obtain and use technology or other information that the Company regards as proprietary. In addition, the laws of certain countries do not protect the Company's proprietary rights to the same extent as do the laws of the United States. Accordingly there can be no assurance that the Company will be able to protect its proprietary technology against unauthorized third party copying or use.

INTERNATIONAL SALES. Although the Company has not been involved in international marketing to date, the Company believes this market offers attractive potential. The Company intends to use a portion of the investment capital and its presence on the Internet to establish its global presence. Such growth in international business will be subject to the risks attendant thereto, including the general economic conditions in each country, the overlap of different tax structures, the difficulty in managing an organization spread over various countries, changes in regulatory requirements, compliance with a variety of foreign laws and regulations and longer payment cycles in certain countries.

ITEM 7. FINANCIAL STATEMENTS

The financial statements and supplementary data listed in the accompanying Index to Financial Statements are attached as part of this report.

CRYO-CELL INTERNATIONAL, INC.

LIST OF FINANCIAL STATEMENTS

The following consolidated financial statements of CRYO-CELL International, Inc. are included in Item 7:

All other schedules for which provision is made in the applicable accounting regulation of the Securities and Exchange Commission are not required under the related instructions or are inapplicable, and therefore have been omitted.

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Board of Directors of
CRYO-CELL International, Inc.

We have audited the accompanying consolidated balance sheets of CRYO-CELL International, Inc. and subsidiaries as of November 30, 1998 and 1997, and the related consolidated statements of operations, shareholder's equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of CRYO-CELL International, Inc. and subsidiaries as of November 30, 1998 and 1997, and the consolidated results of their operations and their cash flows for the years then ended in conformity with generally accepted accounting principles.

MIRSKY, FURST & ASSOCIATES, P.A.

Fort Lee, New Jersey
March 16, 1999

<TABLE>
<CAPTION>

CRYO-CELL INTERNATIONAL, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

ASSETS

<S>	NOVEMBER 30, 1998 <C>	NOVEMBER 30, 1997 <C>
CURRENT ASSETS		
Cash and cash equivalents	$ 499,696	$ 814,156
Stock subscription receivable	150,000	--
Accounts receivable and advances (net of allowance for doubtful accounts of $13,380 in 1998 and $4,338 in 1997)	47,642	62,637
Marketable securities	198,114	225,000
Refundable income taxes	8,078	21,338
Loan origination fees, net	--	44,116
Prepaid expenses and other current assets	79,690	57,676
Total current assets	983,220	1,224,923
PROPERTY AND EQUIPMENT		
Property and equipment, net	2,371,993	2,466,152
OTHER ASSETS		
Intangible assets (net of amortization of $42,269 and $35,696, respectively)	69,462	68,512
Marketable securities	521,279	--
Deposits with vendors and others	133,175	28,788
Investment in unconsolidated affiliate	--	191,698
Total other assets	723,916	288,998
TOTAL ASSETS	$4,079,129	$3,980,073

</TABLE>

The accompanying notes to consolidated financial statements are an integral part of these statements.

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CRYO-CELL INTERNATIONAL, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

LIABILITIES AND STOCKHOLDERS' EQUITY

<S>	NOVEMBER 30, 1998 <C>	NOVEMBER 30, 1997 <C>
CURRENT LIABILITIES		
Accounts payable	$ 293,159	$ 289,159
Accrued expenses and withholdings	291,788	104,194
Short term borrowings	565,000	500,000
Convertible notes payable	540,000	--
Current portion of obligations under capital leases	4,805	2,350

Total current liabilities	1,694,752	895,703
OTHER LIABILITIES		
Unearned revenue	75,236	8,708
Deposits	25,000	--
Obligations under capital leases-net of current portion	15,928	4,542
Total other liabilities	116,164	13,250
STOCKHOLDERS' EQUITY		
Preferred stock (500,000 $.01 par value authorized; 0 issued and outstanding)	--	--
Common stock (15,000,000 $.01 par value common shares authorized; 7,654,598 at November 30, 1998 and 7,186,501 at November 30, 1997 issued and outstanding)	76,546	71,865
Additional paid-in capital	8,651,428	7,702,791
Net realized gain (loss) on marketable securities	319,393	(175,000)
Accumulated deficit	(6,779,154)	(4,528,536)
Total stockholders' equity	2,268,213	3,071,120
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 4,079,129	$ 3,980,073

</TABLE>

The accompanying notes to consolidated financial statements are an integral part of these statements.

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CRYO-CELL INTERNATIONAL, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED

	NOVEMBER 30, 1998	NOVEMBER 30, 1997
<S>	<C>	<C>
Revenue	$ 331,134	$ 417,913
COSTS AND EXPENSES:		
Cost of sales	218,018	46,047
Marketing, general & administrative expenses	1,866,033	1,625,082
Research, development and related engineering	352,743	204,117
Impairment of prototype	--	172,843
Depreciation and amortization	164,015	95,052
Total cost and expenses	2,600,809	2,143,141
OPERATING LOSS	(2,269,675)	(1,725,228)
OTHER INCOME AND (EXPENSE):		
Interest Income/Other Income	10,622	49,986
Interest Expense	(51,868)	(8,677)
Gain on sale of investment	515,574	443,152
Total other income	474,328	484,461
LOSS BEFORE EQUITY IN NET LOSS OF UNCONSOLIDATED AFFILIATE	(1,795,347)	(1,240,767)
Equity in net loss of unconsolidated affiliate	(455,271)	(402,292)
NET LOSS	$(2,250,618)	$(1,643,059)
NET LOSS PER SHARE	$ (0.31)	$ (0.23)
Number of Shares Used In Computation	7,275,846	7,164,515

</TABLE>

The accompanying notes to consolidated financial statements are an integral part of these statements.

<TABLE>
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CRYO-CELL INTERNATIONAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED

<S>	NOVEMBER 30, 1998 <C>	NOVEMBER 30, 1997 <C>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Loss	$(2,250,618)	$(1,643,059)
Adjustments to reconcile net loss to cash used for operating activities:		
Depreciation and amortization	164,015	95,051
Marketable securities received in lieu of cash(1)	--	(400,000)
Write off of deposit for cellular storage units	250,000	--
Write off of patents and trademarks	--	4,239
Impairment of prototype	--	172,843
Valuation allowance on Revenue Sharing Agreement sold	--	40,143
Allowance for bad debts	9,042	1,838
Gain on sale of unconsolidated affiliate's stock	(515,574)	(443,152)
Equity in loss of unconsolidated affiliate	455,271	402,292
Payment of consulting and professional services with stock	139,692	34,535
Changes in assets and liabilities:		
Accounts receivable	5,953	609,058
Prepaid income taxes	--	(21,338)
Loan origination fees	--	(10,000)
Prepaid expenses and other current assets	(22,014)	(21,209)
Deposits	(112,091)	(22,817)
Accounts payable	4,000	202,723
Accrued expenses	187,594	23,075
Refundable income taxes	13,260	(37,334)
Unearned revenue and deposits	91,528	(21,292)
NET CASH USED FOR OPERATING ACTIVITIES	(1,579,942)	(1,034,404)

</TABLE>

The accompanying notes to consolidated financial statements are an integral part of these statements.

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CRYO-CELL INTERNATIONAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED

<S>	NOVEMBER 30, 1998 <C>	NOVEMBER 30, 1997 <C>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment(2)	(263,589)	(736,199)
Payments for intangible assets	(5,397)	(11,714)
Proceeds from sale of investment(3)	471,402	472,738
NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES	$ 202,416	$ (275,175)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of common stock(4)	257,500	12,500
Loan proceeds	887,264	500,000
Sale of stock options	62,500	540,000
Repayment of debt(3), (4)	(158,039)	--
Loan advances to affiliated company		
Principal payments under capital leases	13,841	(8,296)
Loan repayments from affiliated company	0	0
NET CASH PROVIDED BY FINANCING ACTIVITIES:	1,063,066	1,044,204
Decrease (increase) in cash and cash equivalents	(314,460)	(265,375)
Cash and cash equivalents:		
Beginning of year	$ 814,156	$ 1,079,531

End of period	$ 499,696	$ 814,156

</TABLE>

The accompanying notes to consolidated financial statements are an integral part of these statements.

CRYO-CELL INTERNATIONAL, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED

	November 30, 1998	November 30, 1997
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for:		
Interest	$51,868	$ 8,676
Income taxes	$ --	$64,772

SUPPLEMENTAL SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:

(1) The company received common stock with a fair market value of $400,000 in exchange for a Revenue Sharing Agreement, in 1977.

(2) In 1998 the Company purchase laboratory equipment under a capital lease in the amount of $16,050. In 1997, the Company purchased a security system under a capital lease in the amount of $6,892.

(3) In 1998 the Company repaid $44,173 to the wife of the Chairman of the Board with 60,000 shares of the Company's holdings of Net/Tech International, Inc. common stock.

(4) In 1998 the Company borrowed $80,051 from the wife of the Chairman of the Board. The note was repaid,with the issuance of 70,000 shares of the Company's restricted common stock.

The accompanying notes to consolidated financial statements are an integral part of these statements.

<TABLE>
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CRYO-CELL INTERNATIONAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

	COMMON STOCK SHARES	COMMON STOCK AMOUNT	ADDITIONAL PAID-IN CAPITAL	ACCUMULATED DEFICIT	UNREALIZED LOSSES ON MARKETABLE SECURITIES	TOTAL SHARE-HOLDERS' EQUITY
<S>	<C>	<C>	<C>	<C>	<C>	<C>
BALANCE NOVEMBER 30, 1996	7,151,984	71,520	6,473,085	(2,885,477)	--	3,659,128
Shares issued upon exercise of options at $2.50 per share	5,000	50	12,450			12,500
Shares issued for professional services	4,732	47	12,703			12,750
Sale of options at $1.00 per option with an exercise price of $6.00 per share			540,000			540,000
Shares issued at $6.32 per share for services provided	731	7	4,611			

						4,619
Shares issued at $5.65 per share for services provided	926	9	5,225			5,234
Shares issued at $4.73 per share for services provided	976	10	4,607			4,617

</TABLE>

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CRYO-CELL INTERNATIONAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

	COMMON STOCK		ADDITIONAL PAID-IN	ACCUMULATED	UNREALIZED LOSSES ON MARKETABLE	TOTAL SHARE-HOLDERS'
	SHARES	AMOUNT	CAPITAL	DEFICIT	SECURITIES	EQUITY
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Shares issued at $5.13 per share for services provided	889	9	4,554			4,562
Shares issued at $3.25 per share	17,500	175	56,700			56,875
Shares issued at $4.68 per share for services provided	1,127	11	5,264			5,276
Shares issued at $4.13 per share for services provided	1,142	11	4,716			4,727
Shares issued at $3.83 per share for services provided	789	8	3,020			3,028
Shares issued at $3.51 per share for services provided	705	7	2,466			2,473
Increase in carrying value accounting for Unconsolidated Affiliate			573,391			573,391
Decrease in value of marketable securities					(175,000)	(175,000)
Net (Loss)				(1,643,059)		(1,643,059)
BALANCE NOVEMBER 30, 1997	7,186,501	$ 71,865	$ 7,702,791	$(4,528,536)	$ (175,000)	$ 3,071,120
Shares issued at $2.75 per share	50,000	500	137,000			137,500
Sale of options at $1.00 per option with an exercise price of $5.00 per share			62,500			62,500
Shares issued at $2.50 per share	2,000	20	4,980			5,000

Shares issued at $3.14 per share for services provided	579	6	1,813			1,819

</TABLE>

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CRYO-CELL INTERNATIONAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

	COMMON STOCK		ADDITIONAL		UNREALIZED LOSSES ON	TOTAL SHARE-
	SHARES	AMOUNT	PAID-IN CAPITAL	ACCUMULATED DEFICIT	MARKETABLE SECURITIES	HOLDERS' EQUITY
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Shares issued at $3.48 per share for services provided	1,155	12	4,006			4,018
Shares issued at $3.325 per share for services provided	2,144	21	7,107			7,129
Shares issued at $3.18 per share for services provided	412	4	1,307			1,311
Shares issued at $3.33 per share for services provided	557	6	1,850			1,855
Shares issued at $3.57 per share for services provided	1,113	11	3,960			3,972
Shares issued at $3.76 per share for services provided	466	5	1,748			1,752
Shares issued at $3.76 per share for services provided	473	5	1,774			1,779
Shares issued at $3.20 per share for services provided	6,509	65	20,762			20,827
Shares issued at $3.01 per share for services provided	1,500	15	4,494			4,509
Shares issued at $2.91 per share for services provided	6,189	62	17,959			18,021
Shares issued at $2.02 per share for services provided	10,000	100	20,100			20,200
Shares issued at $1.14 per share	70,000	700	79,352			80,052
Shares issued at $1.38 per share for services provided	40,000	400	43,600			44,000

</TABLE>

The accompanying notes to consolidated financial statements are an integral part of these statements.

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CRYO-CELL INTERNATIONAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

	COMMON STOCK		ADDITIONAL		UNREALIZED	TOTAL
	SHARES	AMOUNT	PAID-IN CAPITAL	ACCUMULATED DEFICIT	LOSSES ON MARKETABLE SECURITIES	SHARE-HOLDERS' EQUITY
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Shares issued at $.85 per share for services provided	10,000	100	8,400	--	--	8,500
Shares issued at $1.00 per share	265,000	2,650	262,350	--	--	265,000
Increase in carrying value accounting for Unconsolidated Affiliate	--	--	263,573	--	--	263,573
Net increase in value of marketable securities	--	--	--	--	319,393	319,393
Net (Loss)	--	--	--	(2,250,618)	--	(2,250,618)
Balance November 30, 1998	7,654,598	76,546	8,651,428	(6,779,154)	319,393	2,268,213

</TABLE>

The accompanying notes to consolidated financial statements are an integral part of these statements.

CRYO-CELL INTERNATIONAL, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
NOVEMBER 30, 1998

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

DESCRIPTION OF BUSINESS

The Company was incorporated in Delaware on September 11, 1989. The Company is engaged in cellular storage and the design and development of cellular storage devices used in its storage programs. Prior to 1998 the revenue recognized to date was almost exclusively from the sale of Revenue Sharing Agreements. During 1998 the Company's primary focus has been the further development of the cellular storage of umbilical cord blood stem cells in the Clearwater laboratory and the continued development of the CCEL III Cellular Storage Unit.

The Company formed Safti-Cell, Incorporated, CCEL Immune System Technologies, Inc. , CCEL Expansion Technologies, Inc. and CCEL Bio-Therapies, Inc. in Delaware in calendar year 1993. As of November 30, 1998, no shares have been issued for any of these subsidiaries. CCEL Immune System Technologies, Inc. has opened a bank account but has had no activity in it for the year ended November 30, 1998, and none of the other subsidiaries has any financial activity but are all consolidated with the Company. The Company has retained these corporations for possible future use.

The Company also acquired during 1998 Medical Marketing Network, Inc., (MMN) a New York corporation, as part of a marketing agreement. This corporation has not had any financial activity since its inception and none of the consideration paid in conjunction with the agreement was assigned to the purchase of MMN.

The Company has an accumulated deficit and expects to incur a net loss during the next year. During 1998 the Company's primary sources of cash were derived from sales of its investments, convertible loan borrowings and share issuances of its restricted common stock. The Company's cash balance at November 30, 1998 was $499,696. In December an additional $150,000 was received in satisfaction of the stock subscription receivable and $280,319 was received from the sale of additional shares of the Company's restricted stock. The Company, in December 1998, used $550,000 to repay borrowings under a line of credit. The convertible notes in the amount of $530,000 due in June of 1999 (see Note 9) have been converted to restricted common stock.

Although the revenue from cellular storage has increased substantially during the latter part of 1998 and has continued to grow subsequent to November 30, 1998, given the Company's proposed operational expenditures for 1999, it is doubtful that the Company will be able to generate sufficient capital from its revenue to satisfy its ongoing capital needs and to continue its operations through the next fiscal year without obtaining additional funding arrangements, unless revenue increases significantly. The Company is confident that it can raise sufficient capital through the issuance of preferred securities and other capital raising measures (see Note 16) but no assurance can be given that such capital can be raised. In the event that the Company is unable to obtain sufficient capital to sustain operations, the Company's Chairman and his wife have committed to provide the necessary funding that will insure the Company's continuing operations for the upcoming year.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

REVENUE RECOGNITION

The Company recognizes revenue from cellular storage ratably over the contractual storage period and processing fees upon the completion of processing.

Revenue is recognized when the Company enters into a Revenue Sharing Agreement and the payment pursuant to the agreement has been satisfactorily assured.

In fiscal 1997, the majority of revenues were generated from the sale of a Revenue Sharing Agreement. In fiscal 1998, all of the revenue was generated from the processing and storage of the U-CordTM specimens.

CONCENTRATION OF CREDIT RISKS

In fiscal 1998, all of the Company's revenues were derived from the processing and storage of the U-CordTM blood. In fiscal 1997, substantially all of the Company's revenues were derived from the sale of one Revenue Sharing Agreement.

Financial instruments that potentially subject the Company to concentration of credit risk are principally cash and cash equivalent accounts in financial institutions, which often exceed the Federal Depository Insurance limit. The Company places its cash with high quality financial institutions and believes it is not exposed to any significant credit risk.

CRYO-CELL depends on one company for the manufacture of its CCEL II cellular storage unit and several companies are manufacturing the CCEL III cellular storage unit. However, the Company believes that alternative manufacturing sources are available.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

RECLASSIFICATIONS

Reclassifications have been made to the prior year's Consolidated Financial Statements to conform to the fiscal 1998 presentation.

CASH AND CASH EQUIVALENTS

Cash and equivalents consist of highly liquid investments with a maturity date at acquisition of three months or less.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MARKETABLE SECURITIES

The Company accounts for marketable securities in accordance with Statement of Financial Accounting Standards No. 115, "Accounting for Certain Investments in Debt and Equity Securities." All of the Company's marketable securities are classified as available-for-sale as of the balance sheet date and are reported at fair value, with unrealized gains and losses recorded as a component of stockholders' equity (See Note 3). Since the stock owned in Net/Tech International, Inc. is subject to trading restrictions a portion of this investment has been classified as a non current asset based upon the number of shares which may not be sold in 1999.

STOCK SUBSCRIPTION RECEIVABLE

Stock subscription receivable consists of amounts due from the sales of the Company's restricted common stock. Since the proceeds of the sales were received in December 1998 these amounts are carried as a current asset.

RECEIVABLES

In fiscal 1998, receivables consist of amounts due from clients that have enrolled in the U-CordTM processing and storage program. These receivables are presented net of an estimated allowance for doubtful accounts for processing and storage fees based on historical experience of amounts that are uncollectible. In fiscal 1997, receivables and advances consisted primarily of amounts advanced to the Company's LifespanSM affiliates. These advances were subsequently applied to lab costs in the Chicago storage facility (see Cost of Sales).

PROPERTY AND EQUIPMENT :

Property and equipment are stated at cost. Depreciation is computed using a straight-line method over estimated useful lives. Leasehold improvements are amortized over the shorter of the respective life of the lease or the useful life of the improvements.

Upon the sale or retirement of depreciable assets, the cost and related accumulated depreciation will be removed from the accounts and resulting profit or loss will be reflected in income. Expenditures for maintenance and repairs are charged to income as incurred.

Estimated useful lives are as follows:

Machinery and Equipment	5 - 10 years
Furniture and Fixtures	5 - 7 years

INTANGIBLE ASSETS

Costs incurred in connection with filing patent and trademark applications are capitalized. Patents and trademarks granted are amortized on a straight line basis over a lifetime of 10 and 3 years, respectively. Abandoned patents are expensed in the year of abandonment.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

LONG-LIVED ASSETS

In fiscal 1997, the Company adopted Statement of Financial Accounting Standards No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of " ("SFAS 121"). Long lived assets and identifiable intangibles to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment is measured by comparing the carrying value of the long-lived asset to the estimated undiscounted future cash flows expected to result from uses of the assets and their eventual disposition. The adoption of SFAS No. 121 did not have a material impact on the results of operations or financial position of the Company.

ACCOUNTS PAYABLE

Accounts payable consists of trade accounts payable and as of November 30, 1998, $129,818 of the balance consists of professional legal fees which are being disputed, see note 15.

RESEARCH AND DEVELOPMENT COSTS

Research, development and related engineering costs are expensed as incurred.

COSTS OF SALES

Costs of sales represents the associated expenses resulting from the processing, testing and storage of the U-CordTM specimens. In fiscal 1998, approximately $125,000 of the cost of sales represents non-recurring expenses that were incurred due to the arrangement with Reproductive Genetics Institute in Chicago, Illinois to process specimens prior to the opening of the Company's laboratory in Clearwater, Florida. Equipment costs related to Revenue Sharing Agreements are expensed in the period in which the sale is recorded.

LOSS PER COMMON SHARE

In 1998, the Company adopted the provisions of Statement of Financial Accounting Standards No. 128, "Earnings Per Share" ("SFAS 128") which requires the disclosure of basic and diluted earnings per common share for all periods presented. Basic and diluted earnings per share is calculated based on the weighted average number of common shares outstanding during the period. Diluted earnings per share also give effect to the dilutive effect of stock options and warrants (calculated based on the treasury stock method). The Company does not present diluted earnings per share as the effect of potentially dilutive shares from stock is antidilutive. As a result, adoption of SFAS 128 has not affected the basic and diluted losses per common share reported in any period.

EMPLOYEES STOCK PLANS

The Company accounts for its stock options in accordance with the provisions of the Accounting Principles Board (APB) Opinion No. 25, "Accounting for Stock Issued to Employees." In accordance with SFAS No. 123, "Accounting for Stock-Based Compensation," the Company continues to apply the provisions of APB No. 25 for purposes of determining net income and has adopted the pro forma disclosure requirement of SFAS No. 123 effective December 1, 1996.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

STOCKHOLDERS EQUITY

The Company made payments for consulting and professional legal services through the issuance of the Company's common stock as shown below:

		Number of common shares
Consulting	$52,500	50,000 (restricted stock)
Professional Legal Services	$87,192	31,097

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In June 1997, the Financial Accounting Standards Board issued SFAS No. 130, "Reporting Comprehensive Income," which establishes standards for reporting and display of comprehensive income and its components in a complete set of general purpose financial statements; and SFAS No. 131, "Disclosure About Segments of an Enterprise and Related Information," which establishes annual and interim reporting standards for a Company's business segments and related disclosures about it's products, services, geographic areas and major customers. Both SFAS No. 130 and SFAS No. 131 are effective for fiscal years beginning after December 31, 1997. The Company believes that the adoption of the new standard will not have a material effect on the financial statements.

In February 1998, the Financial Accounting Standards Board issued SFAS No. 132 EMPLOYERS DISCLOSURES ABOUT PENSIONS AND OTHER POST RETIREMENT BENEFITS, which revises employers' disclosures about pension and other post retirement benefit plans, requires additional information on changes in the benefit obligations and fair values of plan assets that will facilitate financial analysis, and eliminates certain disclosures that are no longer deemed useful. The statement is effective for fiscal years beginning after December 15, 1997. The Company believes that the adoptions of this standard will not have a material effect on the financial results of the Company.

In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 133, ACCOUNTING FOR DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES. This statement establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts (collectively referred to as derivatives), and for hedging activities. The statement requires companies to recognize all derivatives as either assets or liabilities, with the instruments measured at fair value. The accounting for changes in fair value, gains or losses, depends on the intended use of the derivative and its resulting designation. The statement is effective for all fiscal quarters of fiscal years beginning after June 15, 1999. Adoption of this standard will not impact the financial results of the Company.

NOTE 2 - PROPERTY AND EQUIPMENT

The major classes of property and equipment are as follows:

CLASSIFICATION	NOVEMBER 30 1998	NOVEMBER 30 1997
Furniture and Equipment	$ 503,744	$ 463,882
Cellular Storage Units	325,000	325,000
Leasehold Improvements	147,009	147,009
Prototype	--	--
Equipment not placed in service - net	1,539,645	1,579,917
Total	2,515,398	2,515,808
Less		
Accumulated depreciation and amortization	143,405	49,656
Property and equipment, net	$2,371,993	$2,466,152

Certain components of the above equipment have not been depreciated since they have not yet been placed in service at November 30, 1998. However, the Company has accrued the costs of equipment allocable to Revenue Sharing Agreements. The equipment not placed in service includes the cellular storage devices and related processing equipment and construction in progress relating to construction and development of the third generation cellular storage unit.

NOTE 3 - MARKETABLE SECURITIES

NET/TECH INTERNATIONAL

As of November 30, 1997, the Company owned approximately 28% of the outstanding shares of Net/Tech International, Inc. In November 1998 the Company's ownership percentage in Net/Tech International Inc. (NTTI) decreased to less than 20% of the outstanding shares of NTTI. The Company had accounted for its investment in NTTI in 1997 and previous years using the equity method but as of the date upon which its ownership percentage fell below 20% the Company used the guidance in SFAS 115 ACCOUNTING FOR CERTAIN INVESTMENT IN DEBT AND EQUITY SECURITIES, as described above, to account for the investment. Since NTTI stock is thinly traded and subject to considerable price fluctuation, were the Company to attempt to sell large blocks of shares, it is unlikely that the Company would be able to obtain the exchange market value as listed. This security is therefore subject to considerable market risk. As discussed in Note 1, this investment is subject to certain trading restrictions that limit the number of shares which can be sold during a 90 day period.

The Company recognized losses under the equity method for the NTTI investment during 1998 reducing the cost basis of the stock to $0. Therefore the proceeds from the sale and realized gains on the sale of the stock during the year were both $515,574. Additionally, an unrealized gain has been recorded as a component of stockholders' equity in the amount of $685,393 to reflect the fair market value of the investment as of November 30, 1998.

NOTE 3 - MARKETABLE SECURITIES (CONTINUED

The following is a summary of Net/Tech assets, liabilities and results of operations as of November 30, 1998 and 1997:

	NOVEMBER 30 1998	NOVEMBER 30 1997
Cash	$ 160,334	$ 832,502
Inventory	--	41,479
Net Fixed Assets	46,574	98,670
Total Assets	292,247	1,036,637
Total Current Liabilities	148,642	228,902
Total Other Liabilities .	1,600	126,759
Total Stockholders Equity	142,004	805,976
Net Loss for the Period .	$2,071,877	$1,226,144

OTHER SECURITIES

In 1997 the Company acquired 100,000 shares of an equity security in payment for the sale of a Revenue Sharing Partnership. The original cost as determined by the trading price on the date of acquisition was $400,000. The fair value of this security as of November 30, 1998 and 1997 was $34,000 and $225,000 respectively and the unrealized holding loss on this security was $366,000 and $175,000 as of November 30, 1998 and 1997 respectively.

NOTE 4 - ACCRUED EXPENSES

	NOVEMBER 30 1998	NOVEMBER 30 1997
Accrued interest	$ 1,337	$ 1,319
Consultants and patent costs	25,000	5,000
Legal and accounting	4,111	4,803
Payroll and payroll taxes	2,357	19,720
Cellular storage unit	166,945	--
General expenses	92,038	73,352
	$291,788	$104,194

NOTE 5 - PATENTS

The Company has patented technology on automatic cryogenic preservation and has received patents for: additional functions of the cryogenic unit, an additional unit which incorporates a multi-chambered design and for a process for controlled freezing/thawing. The Company has been granted patents in several countries including Australia and Israel.

NOTE 6 - RELATED PARTY TRANSACTIONS

In October 1998, the wife of the Chairman of the Board loaned the Company $44,173. The note was repaid, 20% in cash and the remainder was converted and repaid with 60,000 shares of the Company's holdings of Net/Tech International, Inc. common stock.

In August and September 1998, the Company borrowed $100,000 from the wife of the Chairman of the Board. The note was repaid in November, 1998.

In August 1998, the wife of the Chairman of the Board loaned the Company $80,051. The note was converted and repaid with the issuance of 70,000 shares of the Company's restricted common stock.

On November 7, 1997, the Company issued 17,500 shares of restricted stock to existing shareholders in consideration for the assistance with the pledging of collateral for the Company's line of credit. This award represented a grant of 5% of the shares that were pledged. The value of the shares issued of

$56,875 was capitalized as a loan acquisition cost was amortized over the life of the loan period August 1, 1997 to July 31, 1998.

During 1998 and 1997 the Company sold 326,000 and 154,218 shares of Net/Tech common stock recognizing a gain of $515,574 and $443,153 respectively.

NOTE 7 - LEASES

The Company leases a building for its headquarters. The lease term is for seven years, expires September 30, 2004 and includes provisions for escalating annual rentals and common area fees. Rent charged to operations was $120,316 in 1998.

The Company leases an apartment under an annual renewable operating lease for $700 per month which expires October 31, 1999.

In 1997 the Company leased a liquid nitrogen storage tank which expires on November 30, 2002. The lease payments are $695 per month.

Minimum required future rental payment under these operating leases as of November 30, 1998, are:

1999	$142,760
2000	139,684
2001	145,471
2002	151,515
2003	149,534

	$728,964

The Company is obligated under capital leases, that expire at various dates during the next four years.

NOTE 7 - LEASES (CONTINUED)

The following is a summary of assets under capital leases as of November 30, 1998 and 1997:

	1998	1997
Leasehold improvements	$12,909	$12,909
Laboratory equipment	19,176	-0-
	-------	-------
Total	32,085	12,909
Less :Accumulated depreciation	2,803	461
	-------	-------
Assets under capital leases (net)	$29,282	$12,448
	=======	=======

Assets under capital leases are depreciated over a seven to ten year life. Depreciation expense totaled $2,803 and $461 for the years ended November 30, 1998 and 1997.

The future minimum lease payments under capital leases are computed as follows:

1999	$5,186
2000	5,358
2001	5,960
2002	4,229

NOTE 8 - COMMITMENTS AND CONTINGENCIES

In February 1997, the Company signed an agreement with Sachem (Viscount Securities) for revenue sharing in two units (See Note 12). Per the agreement, Sachem is entitled to 13,200 half-spaces on an on-going basis of storage revenue based upon their $400,000 non-refundable deposit.

In June 1998, the Company entered into an agreement, with World Medical Match, a non-profit corporation, whose mission includes assisting the poor with funds to provide them access to medical matching opportunities. The agreement states that World Medical Match agrees to grant the Company $50,000 for the purpose of paying for 200 U-CordTM stem cell collection kits and the first year of cryogenic storage for the benefit of indigent expectant parents. Upon execution of the agreement the Company was granted $25,000 which is classified as a deposit on the balance sheet. The Company is currently working with local practices and hospitals to implement this project.

As part of the September 1998 agreement between Steve Ferens and the Company, CRYO-CELL committed to issue 200,000 shares of the Company's restricted common stock in exchange for marketing services to be provided by Ferens and his team of sub-contractors. The contract is for a five year period and provides for the issuance of 10,000 shares of stock upon the signing of the agreement, 40,000 shares upon the implementation of the marketing program and 50,000 shares to be issued at various times during the contract period. The agreement calls for the balance of 100,000 shares to be issued upon the achievement of certain performance goals during the third year of the agreement. The Company issued 10,000 shares to Ferens as of November 30, 1998 and 40,000 shares have been issued thereafter. These issuances resulted in compensation expense of $42,500 during 1998, $34,000 of which is an accrued expense as of November 30, 1998. The remaining shares will be issued as outlined above and recorded as an expense in the period of issuance.

In January 1999, subsequent to the balance sheet date, the Company extended its marketing agreement with Lamaze Publishing Company to sponsor the Lamaze tutorial tape and a full page advertisement in the Lamaze Parent Magazine at a cost of $200,000.

NOTE 8 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

Additional contingencies are explained in Note 12, Agreements and Note 15, Legal Proceedings.

NOTE 9 - CONVERTIBLE NOTES

In November 30, 1998, the Company borrowed $530,000 on eleven convertible promissory notes. The notes had a term of six months at which time the principal plus interest, at 8% per year is due. The promissory notes contained a conversion provision to the Company's restricted common stock at $2.00 per share. In February 1999, subsequent to the balance sheet date, the loan agreements were converted to 302,000 shares of the Company's common stock at a price of $1.75 per share. The loan holders agreed to forego any accrued interest and any registration rights. All shares are subject to Rule 144.

In October 1998, the Company entered into a convertible note agreement borrowing $10,000 from an investor. The note has a term of one year at which time the principal plus interest, at 20% per year, will be due. The noteholder has the option to be paid in full for interest plus principal or to convert to the Company's common stock at $2.00 per share. All shares are subject to Rule 144.

NOTE 10-INCOME TAXES

The Company has no provisions for current or deferred taxes for the years ended November 30, 1998 and 1997.

Under the asset and liability method of SFAS No. 109 Accounting for Income Taxes, deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to be recovered or settled.

As of November 1998 and 1997 the tax effects of temporary differences that give rise to the deferred tax assets are as follows:
<TABLE>
<CAPTION>

Deferred tax assets:	NOVEMBER 30, 1998	NOVEMBER 30, 1997
<S>	<C>	<C>
Net operating loss carryforwards	$1,524,652	$ 851,830
Tax over book basis in unconsolidated affiliate	502,384	301,890
Valuation reserves	187,468	196,856
Depreciation and other	11,761	5,444
Total deferred assets	$2,226,265	$1,356,020
Less: Valuation allowance	2,226,265	1,356,020
Deferred taxes, net of valuation allowance	$ 0	$ 0

</TABLE>

The Company has unused net operating losses available for carryforward to offset future federal taxable income of $85,643 which expires by the year 2006, $294,557 which expires by the year 2008, $536,253 which expires by the year 2009, $295,551 which expires by the year 2010, $1,008,833 which expires by the year ended 2011, and $1,791,406 which expires by the year 2012. The total of the foregoing net operating loss carryforwards is $4,012,243. The Tax Reform Act of 1986 contains provisions that limit the utilization of net operating losses if there has been an "ownership change". Such an "ownership change" as described in Section 382 of the Internal Revenue code may limit the Company's utilization of its net operating loss carryforwards.

NOTE 10-INCOME TAXES (CONTINUED)

A reconciliation of income tax benefits with the amount of tax computed by applying the federal statutory rate (34%) to pretax income follows:

YEARS ENDED NOVEMBER 30	1998	1997
Tax expense at statutory rate	$(767,241)	$(549,627)
State taxes	(90,264)	(64,662)
Increase in valuation allowance	870,245	642,666
Miscellaneous timing differences	(12,740)	(28,377)
Total Income Taxes	$ 0	$ 0

NOTE 11 - OPTIONS

In 1991 the Company adopted an Employee Incentive Stock Option Plan, and has reserved 500,000 shares of the Company's common stock for issuance under the Plan. Employee options under the Plan have a term of five years from the date of grant. The options immediately terminate on the employee's termination or in the case of permanent and total disability the options are exercisable for a period of 30 days after termination. In addition the Company has set aside a reserve of 2,000,000 shares for the purpose of Non-Employee Stock Options. These options generally have a term of three to five years from the date of the grant.

Stock option activity was as follows for the two years ended November 30, 1998:
<TABLE>
<CAPTION>

<S>	NUMBER OF SHARES <C>	WEIGHTED AVERAGE EXERCISE PRICE <C>
Outstanding and Exercisable at November 30, 1996	505,000	$ 5.41
Granted	698,500	5.49
Exercised	(5,000)	2.50
Terminated	(165,500)	9.49
Outstanding and Exercisable at November 30, 1997	1,033,000	4.76
Granted	577,000	2.58
Exercised	(2,000)	2.50
Terminated	(79,000)	3.77
Outstanding and Exercisable at November 30, 1998	1,529,000	$ 4.04

</TABLE>

NOTE 11 - OPTIONS (CONTINUED)

Significant option groups outstanding at November 30, 1998 and related price and life information follows:

RANGE OF EXERCISE Price	OUTSTANDING	WEIGHTED AVERAGE EXERCISE PRICE	WEIGHTED AVERAGE REMAINING CONTRACTUAL LIFE
$1.00 to $2.00	248,000	$1.14	.8
$2.01 to $3.00	460,000	$2.94	1.7
$3.01 or $5.99	246,000	4.41	.7
$6.00	575,000	6.00	2.4

The Company applies Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" (APB 25) and related Interpretations in accounting for its stock options. Accordingly, compensation expense is recognized for the amount of the excess of the market price over the exercise price on the date of the grant. Had the compensation expense been determined based upon the fair value at the grant date consistent with the alternative fair value accounting provided for under FASB No.123, "Accounting for Stock-Based Compensation," the Company's net loss and net loss per share would have been $2,443,108 and $.34 for the year ended November 30, 1998, and the net loss and net loss per share for the year ended November 30, 1997 would have been $1,854,868 and $.26 respectively . The weighted average fair value at the date of grant for options granted during the years ended November 30, 1998 and 1997 was $.33 and $2.00 per option, respectively. The Black-Scholes option pricing model was developed for use in estimating the fair value of traded options that are fully transferable. The Company's options have the characteristics significantly different from those of traded options. In additions, option valuation models require the input of highly subjective assumptions, including the expected stock price volatility. Since the Company's stock issued upon exercise of the options is restricted stock, a reduction of 30% of the trading price of the stock at the date of grant has been applied to account for this restriction. Other variables used to determine the fair value of the options for fiscal 1998 and 1997 were as follows: a) weighted average risk-free interest rate of 5.0% and 6.3% respectively, b) weighted average expected life of 2.2 and 3.5 years respectively, c) weighted average expected volatility of 79% and 87% respectively, and d) no dividend yield for either year.

Weighted average grant date fair values are shown below for options granted in 1998 and 1997.

	WEIGHTED AVERAGE FAIR VALUE/SHARE	WEIGHTED AVERAGE EXERCISE PRICE/SHARE
1998		
Stock Price = Exercise Price	$0	$0
Stock Price /more than/ Exercise Price	$1.47	$2.25
Stock Price /less than/ Exercise Price	$0.36	$2.90
1997		
Stock Price = Exercise Price	$3.22	$4.88
Stock Price /more than/ Exercise Price	$1.98	$2.00
Stock Price /less than/ Exercise Price	$1.60	$4.20

The pro forma effect on net income is not representative of the pro forma effect on net income in future periods because it does not take into consideration pro forma compensation expense related to grants made in prior periods.

NOTE 12 - AGREEMENTS

ARIZONA

On February 9, 1999, the previous agreements with the Company's Arizona Revenue Sharing Partners were modified. The investors entered into Revenue Sharing Partnership Agreements for the state of Florida. The Company will credit the investors $450,000 (previously paid) toward the purchase of the partnership. The balance of $550,000 will be paid through their entitlements. Per the revised agreement the partners were issued 100,000 options of the Company's common stock at an exercise price of $2.50 per share with a five year term. The Revenue Sharing Partnership applies to storage originating from clients in the state of Florida. The Revenue Sharing Partnership covers a total of 33,000 spaces and cancels the investors previous obligation to provide the Company with $675,000 plus accrued interest.

ILLINOIS

In 1996, the Company signed agreements with a group of investors entitling them to an on-going 50% share in CRYO-CELL's portion of net storage revenue generated by the specimens stored in the Illinois Masonic Medical Center. Since the company will no longer be storing new specimens in Chicago, the agreements were modified in 1998 to entitle the investors to a 50% share of the company's portion of net revenues relating to specimens originating in Illinois and contiguous states and stored in Clearwater up to 33,000 spaces. The revenue generated by this Single Unit Revenue Sharing Agreement was $1,000,000.

BIO-STOR

On February 26, 1999, the Company modified all previous agreements with Bio-Stor International, Inc. The modified agreement enters Bio-Stor into a Revenue Sharing Partnership Agreement for the state of New York. The Company will credit Bio-Stor's $900,000 (previously paid) toward the purchase of 90% of the New York partnership. Bio-Stor will receive 90% of the 50% share in CRYO-CELL's portion of net storage revenues generated by the specimens originating from the Company's clients in the state of New York for up to 33,000 shared spaces. This agreement supersedes all other agreements between Bio-Stor International, Inc and the Company.

TENET HEALTHCARE CORPORATION

On November 30, 1996, the Company signed agreements with OrNda HealthCorp. In addition to the LifespanSM agreement, two "one-third" Revenue Sharing Agreements were purchased in which OrNda paid CRYO-CELL $666,666. OrNda was acquired by Tenet Healthcare Corporation which agreed to be bound by the terms of the LifespanSM and Single Unit Revenue Sharing Agreements. Due to the commencement of processing and storage at the Company's Clearwater facility and the Company's change of LifespanSM strategy, negotiations are currently underway in which the Company is offering to store all Tenet originated specimens in Florida while paying Tenet a partnership entitlement.

VISCOUNT SECURITIES

On February 17, 1997, the Company signed an agreement with Sachem (Viscount Securities) for revenue sharing in two units. Since Sachem did not meet the required payments in the contract, the Company terminated the agreement. Sachem is entitled to a share of storage revenue based upon their $400,000 non-refundable deposit which was paid in May 1997, in the form of 100,000 shares of a NASDAQ small cap stock.

NOTE 12 - AGREEMENTS (CONTINUED)

SAGGI CAPITAL

In November 1998, the Company entered into an investor relations agreement with Saggi Capital Corporation. Saggi Capital has agreed to provide various business consulting and investor relations services for the Company. Per the agreement the Company registered 200,000 options to purchase the Company's common stock at an exercise price of $1.00 per share. These options have been exercised and common stock has been issued to Saggi subsequent to the balance sheet date. The Company did not recognize an expense on the issuance of these options since the Company's common stock was trading below the exercise price on the date of grant.

WOMEN & INFANTS HOSPITAL OF RHODE ISLAND

In June 1998, the Company signed an agreement with Women & Infants Hospital of Rhode Island ("hospital") for the establishment of a commercial placental/umbilical cord blood bank at their Providence, Rhode Island medical facility. The hospital will be offering its stem cell banking services to parents of approximately 9,000 babies who are born each year at this facility. Under the terms of the agreement the hospital will provide the space and utilities, liquid nitrogen supply, technician, etc. CRYO-CELL will be responsible for the billing activities. The storage revenues will be divided 75% to the Company and 25% to the hospital, while the hospital is entitled to 100% of the processing revenue. Additionally, if processing revenue is insufficient to cover the fixed costs of the cord blood bank, CRYO-CELL will be responsible to pay the shortfall. In order to cover the possible shortfall the hospital required $50,000 to be placed in escrow. The $50,000 is recognized as a deposit on the balance sheet.

OTHER AGREEMENTS

On November 5, 1998 an agreement previously entered into by the Company with a private investor was revised. Per the terms of the original agreement, the investor had purchased 10% of a Revenue Sharing Partnership in the state of New Jersey. The new agreement has transferred the $100,000 investment into the state of New York. Under the revised agreement the investor will receive 10% of the 50% share in CRYO-CELL's portion of net storage revenues generated by the specimens originating from the Company's clients in the state of New York for up to 33,000 spaces.

NOTE 13 - 401 (K) PLAN

In January 1997, the Company adopted a 401(K) retirement plan which allows eligible employees to allocate up to 15% of their salary to such plan. The company does not make any matching contributions to this plan.

NOTE 14 - LINE OF CREDIT

In August 1997, the Company entered into a one year line of credit agreement with NationsBank, N.A. ("the Bank") whereby the Bank will lend the Company up to $1,000,000. As part of the agreement, the Bank received a $10,000 commitment fee and collateral of 250,000 shares of Net/Tech International, Inc. common stock owned by the Company and a pledge of 350,000 shares of the Company stock owned by a group of the Company's shareholders. At November 30, 1998 direct borrowings under this agreement were $550,000. Terms of the loan require interest to be paid monthly at the Bank's prime lending rate plus 1%. The agreement contains several covenants relating to working capital and net worth with which the Company is not in compliance as of November 30, 1998 thus allowing the Bank to ask for current repayment. The agreement expired on August 21, 1998and in December 1998, the loan the was paid in full.

NOTE 15 - LEGAL PROCEEDINGS

On July 20, 1998, the jury found in favor of the Company against the University of Arizona. The award was $1,050,000 for the breach of contract and an additional $120,000 was awarded to the Company for the University of Arizona's misappropriation of trade secrets. Three post-trial motions by the University of Arizona to reduce the award or set aside the verdict were rejected by the court. The University is now appealing the judgment. The University has expressed a willingness to enter settlement talks as to the appeal but no such talks have commenced. The appellate briefs have yet to be filed.

On February 10, 1999 the Company, the Company's Executive Vice President, the Company's legal counsel and the Company's CEO and Chairman were named as the defendants in a lawsuit filed in the Superior Court of Orange County, California by Horwitz & Beam, the attorneys which had represented CRYO-CELL in its suit against the University of Arizona et al. The plaintiff alleges breach of contract and seeks payment of $129,822 in allegedly unpaid fees and costs associated with the University of Arizona litigation. The plaintiff also asserts claims of misrepresentation. In reference to these misrepresentation claims, plaintiff has filed a "Statement of Damages" which asserts $1,000,000 in general damages and $3,500,000 in punitive damages.

The Company believes there is no merit to the suit. The Company believes that none of the claimed $129,822 in fees is due and owing under any contract with the plaintiff. Furthermore, the Company believes that the plaintiff is not entitled to any punitive damages under Section 3294(a) of the California Civil Code, which does not authorize punitive damages in an action for breach of an obligation "arising from contract."

On October 31, 1997, the Company filed a complaint in the United States District Court for the Northern District of New York against Stainless Design Corporation (SDC) seeking to recover two cellular storage units that have been completed by SDC, additional equipment stored by SDC and a $250,000 deposit remaining from $900,000 the Company paid in 1993 for the production of six cellular storage machines.

During the third quarter of 1998, an out of court settlement was reached. Under the terms of this settlement, SDC released the equipment owned by CRYO-CELL and returned the 25,000 shares of stock it had previously received. Also under the terms of the settlement amounts previously due to SDC and the equipment deposit held for CRYO-CELL were canceled.

NOTE 16 - SUBSEQUENT EVENTS

In February 1999, the Company entered into an exclusive agreement with Dublind Securities, Inc. (DSI) and Dublind Partners, Inc. (DP) concerning the placement of securities in a minimum amount of $3,500,000 up to $7,000,000. The agreement engages DSI until July 1, 1999 however; if a minimum of $3,500,000 is closed by the end of the engagement period the Company agrees to extend the agreement for a period of 24 months.

DSI is currently circulating an offering memorandum to qualified institutional investors, the terms and conditions of the offering are as follows:

/bullet/ The Company will issue up to 500,000 shares of callable preferred stock to raise up to $7,000,000. Preferred stock matures on April 1, 2006 and has detachable warrants.

/bullet/ Quarterly dividends will be paid in arrears in cash or kind, at the option of the Company, until April 1, 2001 and thereafter in cash only, at the rate of 7.5% per year.

/bullet/ Preferred shares will be callable at any time at the issue price plus accrued dividends on thirty (30) days notice at the option of the Company.

/bullet/ The Preferred shares will have detachable warrants for the purchase of $7,000,000 of the Company's common stock at the rate of common shares to warrants based upon the twenty day (20) average closing price of the Company's common shares prior to the close of this transaction.

/bullet/ The warrants will be callable at any time at the option of the Company, should the closing price of the Company's common stock be higher than $7.50 per share for twenty (20) consecutive trading days. The price of the warrants will be set at the date of closing.

In addition to reimbursing DSI for its related expenses, the Company has agreed to pay DSI as follows in return for DSI's financial advisory services:

/bullet/ The Company will pay six percent (6%) of the gross amount received for the purchase of equity securities.

/bullet/ If at least $3,500,000 is raised, the Company has agreed to issue Dublind Investments LLC additional warrants with an expiration date of five (5) years from the date of the closing of the financing. to purchase up to 6.5% of the common stock of the Company

/bullet/ Dublind will be entitled to a seat on the Company's Board of Directors.

NOTE 17 - QUARTERLY FINANCIAL INFORMATION (UNAUDITED)

<TABLE>
<CAPTION>

1998	1ST QUARTER	2ND QUARTER	3RD QUARTER	4TH QUARTER
<S>	<C>	<C>	<C>	<C>
Net Income (Loss)	($ 507,443)	($ 518,279)	$ 196,991	($1,421,887)
Income (Loss) per share	$ (0.07)	$ (0.07)	$ 0.03	$ (0.19)
Shares used in computation	7,199,834	7,242,086	7,272,590	7,388,444

	1ST	2ND	3RD	4TH

1997	QUARTER	QUARTER	QUARTER	QUARTER
Net (Loss)	($ 84,022)	($ 318,043)	($ 365,611)	($ 875,383)
(Loss) per share	$ (0.01)	$ (0.04)	$ (0.05)	$ (0.12)
Shares used in computation	7,151,984	7,156,866	7,164,511	7,184,603

</TABLE>

PART III

Documents incorporated by reference: The information required by Part III of Form 10-KSB is incorporated by reference to the Issuer's definitive proxy statement relating to the 1999 Annual Meeting of Shareholders which is expected to be filed with Securities and Exchange Commission on or about March 30, 1999.

PART IV

ITEM 13. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

- 3.1 Certificate of Incorporation (1)
- 3.11 Amendment to Certificate of Incorporation
- 3.2 By-Laws (1)
- 3.21 Board Minutes to Amendment of By-Laws
- 10.11 Agreement with InstaCool of North America, Inc. (2)
- 10.12 Agreement with the University of Arizona (2)
- 10.13 Agreement with Illinois Masonic Medical Center (4)
- 10.14 Agreement with Bio-Stor (4)
- 10.15 Agreement with Gamida-MedEquip (4)
- 10.16 Agreement with ORNDA HealthCorp (Tenet HealthSystem Hospitals, Inc.) (4)
- 10.17 Convertible Note from Net/Tech International, Inc. Dated November 30, 1995 (3)
- 10.18 Amended Agreement with Bio-Stor (5)
- 10.19 Agreement with Dublind Partners, Inc.
- 10.20 Agreement with Medical Marketing Network, Inc.
- 21 List of Subsidiaries (3)
- 27 Financial Data Schedule

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(1) Incorporated by reference to the Company's Registration Statement on Form S-1 (No. 33-34360).

(2) Incorporated by reference to the Company's Annual Report on Form 10-K for the year ended November 30, 1994.

(3) Incorporated by reference to the Company's Annual Report on Form 10-K for the year ended November 30, 1995.

(4) Incorporated by reference to the Company's Annual Report on Form 10-K for the year ended November 30, 1996.

(5) Incorporated by reference to the Company's Annual Report on Form 10-K for the year ended November 30, 1997.

(b) Reports on Form 8-K.

(1) Form 8-K filed September 12, 1997 - Resignation of William C. Hardy as President, Chief Operating Officer and member of the Board. Resignation of Leonard Green from the Board of Directors.

(2) Form 8-K filed November 18, 1997 - Company filed a multi-count lawsuit in the United States District Court, Northern District of New York claiming that Stainless Design Corporation of Saugerties, New York breached its contract.

Supplemental Information to be furnished with reports filed pursuant to Section 15(d).

(c) No annual reports or proxy material have been sent to security holders for the current fiscal year. Copies of any such report or proxy material so furnished to security holders subsequent to the filing of the annual report on this form will be furnished to the Commission when sent to security holders.

SIGNATURES

In accordance with Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CRYO-CELL INTERNATIONAL, INC.

By: /s/ DANIEL D. RICHARD

Daniel D. Richard, Chief
Executive Officer

Dated: March 16, 1999

In accordance with the Securities Exchange Act of 1934, this report has been signed below by the following persons in the capacities indicated.

NAME	TITLE
/s/ DANIEL D. RICHARD Daniel D. Richard	Chief Executive Officer and Chairman of the Board (Principal Executive Officer)
/s/ GERALD F. MAASS Gerald F. Maass	Vice President and General Manager, Director
/s/ JILL M. TAYMANS Jill M. Taymans	Chief Financial Officer
/s/ED MODZELEWSKI Ed Modzelewski	Director
/s/FREDERICK C.S. WILHELM Frederick C.S. Wilhelm	Director

EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION
10.19	Amendment Agreement with Dublind Partners, Inc.
10.20	Agreement with Medical Marketing Network, Inc.
27	Financial Data Schedule

EXHIBIT 10.19

AGREEMENT WITH DUBLIND PARTNERS, INC.

February 12, 1999

Mr. Dan Richard
Cryo-Cell International, Inc.
3165 McMullen Booth Road, Building 5
Clearwater, FL 33761

Dear Dan:

This will confirm the understanding and agreement among Dublind Securities Inc. ("DSI"), Dublind Partners Inc. ("DP") and Cryo-Cell International, Inc. (Cryo-Cell) as follows:

1. Cryo-Cell hereby engages DSI on an exclusive basis to render financial advisory services concerning the placement of securities in an amount up to $7,000,000 (the Financing").The minimum dollar amount in a placement will be $3,500,000.

2. Subject to the provisions of paragraphs 3 through 8, which shall survive any termination of this Agreement, the terms of DSI's engagement hereunder shall extend from the date hereof until July 1, 1999. However, if a minimum of $3,500,000 in financing is closed by DSI, then Cryo-Cell agrees to extend DSI's exclusive financing agent engagement period for a period of 24 months from the date of the transaction close.

3. As compensation for DSI's services hereunder, Cryo-Cell will pay DSI the following:

   With respect to arranging the Financing, six percent (6%) of the Gross amount actually paid on the purchase of equity securities upon payment of such amount (including any amount committed by DSI or any of its affiliates), such fee to be paid upon the initial funding thereof.

   Additionally, if at least $3.5 million is raised, Cryo-Cell agrees to issue Dublind Investments LLC additional warrants to purchase up to 6.5% of the common stock of Cryo-Cell, on a fully diluted basis, at a price equal to the valuation of the company done in conjunction with the financing with an expiration date of five years from the date of the closing of this financing..

4. Cryo-Cell agrees to reimburse DP for its expenses related to the closing of any financing, including all fees and expenses of any counsel, accountants, appraisers or other experts retained from time to time by DP. Expenses related to the closing will be billed separately and paid at the time of the closing of a financing. DP will not incur expenses of more than $10,000.00 in closing expenses without the written approval of Cryo-Cell.

5. Subject to Paragraph 6, Cryo-Cell shall:

   (a) Indemnify DSI and hold it harmless against any losses, claims, damages or liabilities to which DSI may become subject (A) arising in any manner out of or in connection with (i) actions taken or omitted to be taken (including any information furnished or any untrue statements made or statements omitted to be made) by Cryo-Cell or (ii) actions taken or omitted to be taken by DSI in conformity with either (x) instructions of Cryo-Cell or (y) actions taken or omitted to be taken by Cryo-Cell or (B) otherwise arising in any manner out of or in connection with DSI's rendering of services hereunder unless (in the case of indemnification pursuant to this clause (B)) it is finally judicially determined that such losses, claims, damages or liabilities arose out of the gross negligence or bad faith of DSI; and,

   (b) Reimburse DSI for any legal or other expenses incurred by it in connection with investigating, preparing to defend or defending any lawsuits, claims or other proceedings arising in any manner out of or in connection with DSI's rendering of services hereunder.

   Cryo-Cell agrees that the indemnification and reimbursement commitments set forth in this paragraph shall apply whether or not DSI is a formal party to any such lawsuits, claims or other proceedings, that DSI is entitled to retain separate counsel of its choice in connection with any of the matters to which such commitments relate and that such commitments shall extend upon the terms set forth in this paragraph to any controlling person, director, officer, employee or agent of DSI.

6. Subject to Paragraph 5, Cryo-Cell and DSI agree that if any indemnification or reimbursement sought pursuant to the preceding paragraph 5 is finally judicially determined to be unavailable (except with respect to indemnification pursuant to subparagraph 5 (a) above for the reasons specified in subparagraph 5 (a) above) then (whether or not DSI is the person entitled to indemnification or reimbursement), Cryo-Cell and DSI shall contribute to the losses, claims, liabilities, damages and expenses for which such indemnification or reimbursement is held unavailable in such proportion as is appropriate to reflect the relative benefits to Cryo-Cell, on the one hand, and DSI, on the other, in connection with the transactions contemplated herein, subject to the limitation that in any event DSI's aggregate contribution to any such losses, claims, liabilities, damages and expenses shall not exceed the amount of fees actually received by DSI hereunder. It is hereby agreed that the relative benefits to Cryo-Cell, on the one hand, and DSI, on the other hand, with respect to any transaction or proposed transaction contemplated herein shall be deemed to be in the same proportion as (i) the total value paid or received or contemplated to be paid or received by Cryo-Cell or its security holders in the transactions or from the services contemplated herein bears to (ii) the fee actually paid to DSI with respect to such transaction.

7. Any advice to be provided by DSI under this Agreement shall not be disclosed to third parties without DSI's prior approval.

8. Cryo-Cell agrees that upon completion of the financing DSI has the right to place advertisements in financial and other newspapers and journals at its own expense describing its services to Cryo-Cell subject to Cryo-Cell's review and approval which shall not be unreasonably withheld

9. We understand, and you agree, that there are no brokers, representatives or other persons who have an interest in compensation due to DSI from the services and transactions contemplated herein.

10. Cryo-Cell agrees to provide DSI all financial and other information requested by DSI, and provide reasonable access to appropriate Cryo-Cell personnel for the purposes of DSI's assignment hereunder. DSI shall be entitled to rely upon and assume, without independent verification, the accuracy and completeness of all information that is available from public sources and of all information that has been furnished to it by Cryo-Cell, and shall have no obligation to verify the accuracy or completeness of any such information.

11. This Agreement may not be amended or modified except in writing.

12. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

13. Cryo-Cell agrees not to enter into a similar agency agreement during the term of this agreement. 14. If the foregoing correctly sets forth the understanding and agreement among DSI, DP and Cryo-Cell, please so indicate in the space provided for that purpose below and please return, together with a check for $5,000.00 for the first phase of the engagement covering the preparation of a business plan and offering memo, an executed counterpart of this letter to DSI, whereupon this letter shall constitute a binding agreement. By signing this agreement Cryo-Cell hereby acknowledges that this agreement has been duly authorized by its Board and does not conflict with any other agreement that it is now party or subject to.

Sincerely,	Agreed & Accepted:
/s/ CHARLES J. LINDSEY	/s/ DAN RICHARD
- ----------------------	-------------------------------------
Charles J. Lindsay	Dan Richard - Chief Executive Officer
President	Dated: FEBRUARY 19, 1999

CRYO-CELL INTERNATIONAL, INC.

TERM SHEET
SUMMARY OF PRINCIPAL TERMS

Issuer:	CRYO-CELL International, Inc.
Security:	$7,000,000 of preferred stock with

	warrants
Maturity:	The preferred shares will mature on April 1, 2006
Dividend:	Quarterly, in cash or kind, at the option of the Company, until April 1, 2001 and thereafter in cash only, at the rate of 7.5% per annum, payable in arrears.
Callability:	The preferred shares will be callable at issue price plus accrued dividends, if any, on 30 days notice at the option of the Company, at any time.
Ranking:	The preferred shares will rank senior to all obligations of the Company with a carve-out for a mutually agreeable working capital facility when and if needed.
Covenants:	The preferred shares will have financial covenants that are standard and typical for this type of financing, including but not limited, to restrictions on the issuance of additional indebtedness, minimum net capital requirements, and a negative pledge on any asset sales unless approved.
Warrants:	The preferred shares will have detachable warrants for the purchase of $7,000,000 of the Company's common stock at the rate of common shares to warrants based upon the 20 day average closing price of the Company's common shares prior to the close of this transaction. Dublind will agree to market the warrants at a 10% conversion premium to the common share price, but the Company acknowledges and agrees to accept a transaction based upon a 0% premium to the common shares price if dictated by the marketplace. Additionally, Dublind agrees not to bind CRYO-CELL to any transaction that would require the Company to accept a conversion rate below $2.00 should the common share price trade down below that level.
Warrant	Conversion: The warrants will be convertible into $7,000,000 of the Company's common stock at the conversion price at any time at the option of the holder. The warrants will be callable at any time at the option of the Company, should the closing price of the Company's common shares be higher than $7.50 per share for 20 consecutive trading days.
Other Rights:	Quarterly financial reports One representative to the Company's Board of Directors
Legal and Due Diligence:	Costs to be paid by the Company

The above mentioned terms and conditions constitute CRYO-CELL International, Inc.'s marketing instructions to Dublind Securities and CRYO-CELL's commitment to issue the described securities upon the submission by Dublind Securities of such an acceptable term sheet from an investor(s). By your signature below you acknowledge that CRYO-CELL's Board of Directors has authorized this transaction and that this marketing mandate does not conflict with any other capital raising activities.

/s/ DANIEL D. RICHARD

- ---------------------
Daniel D. Richard - CEO
Dated: 2/22/99

EXHIBIT 10.20

AGREEMENT WITH MEDICAL MARKETING NETWORK, INC.

AGREEMENT

This Agreement is made and entered into this 14th day of September, 1998, by and between CRYO-CELL International, Inc., (hereafter CCEL) with its principal business address at 3165 McMullen Booth Road, Bldg. 5, Clearwater, Florida 33761 and Steve Ferens, individually, and Medical Marketing Network, Inc., (hereafter MMN) with its principal business address at 2830 Stevens St., Oceanside, NY 11572.

The parties desire to enter into this Agreement for mutual consideration, the receipt of which is hereby acknowledged, and agree to the following:

STEVE FERENS AGREES TO:

/bullet/ Use MMN, a New York corporation wholly owned by Steve Ferens, to promote CRYO-CELL's cord blood storage program to OB/GYNs. MMN will enter into distribution contracts with Steve's existing and potential new independent contractors who call on these physicians. The majority of said distribution contracts will be in place within 60 days after CRYO-CELL's acquisition of MMN. Contracts will be 2-3 years and include non-compete provisions.

/bullet/ Optimize the distribution network to penetrate the approved target markets o Serve as the liaison between CCEL and the independent contractors and motivate them.

/bullet/ Design and implement a quota system that meet the objectives set. Give direction on sales strategies consistent with CRYO-CELL's objectives.

/bullet/ Monitor the results. A tracking system will be designed and implemented to ensure that the proper credit is given to the contractors commensurate with their selling results. This system will be developed jointly by CRYO-CELL and Steve Ferens.

/bullet/ Sign the five year contract with CCEL as outlined below.

CCEL AGREES TO:

/bullet/ Purchase 100 % of the shares of MMN for 200,000 shares of CCEL common stock (adjusted for stock splits) subject to the provisions set below. The transaction will be a stock for stock purchase. The assets of the company are Steve's sales management abilities and the contracts with the distribution network. At the time of purchase, MMN shall be unencumbered with any liabilities or potential liabilities. The payment schedule for the acquisition is as follows:

1. 10,000 shares CCEL will be delivered after execution of this Agreement as a down payment;

2. 40,000 shares CCEL will be held in escrow for approximately 60 days until the majority of the distribution contracts are signed and the program begins to be implemented.

3. 50,000 shares CCEL (adjusted for stock splits) will be delivered, as follows:

   Year 1 anniversary of this agreement: 10,000 shares
   Year 2 anniversary of this agreement: 15,000 shares
   Year 3 anniversary of this agreement: 25,000 shares

4. Based on the performance of the independent contractor network, 100,000 shares CCEL (adjusted for stock splits) could be earned at the end of the initial three year period following the execution of this agreement. The paid customer enrollment goal for the independent contractor network is to enroll 45,000 clients in year 3 (25-36 months after the execution of this agreement). The remaining 100,000 shares will be prorated above or below based on the actual enrollment vs. the 45,000 enrollment goal (ex., if actual enrollment is 30,000 cords in year 3--67,000 shares would be earned).

/bullet/ Provide Steve Ferens with a five year contract (subject to performance) to manage this independent contractor network. Steve's contract will include a non-compete provision that will be in effect for two years after any contract termination. Steve will not be paid a salary or other benefits for serving as President of MMN or Vice President, National Sales for CCEL.

- Designate the markets that Steve can market in. Initially, the following are excluded: Rhode Island; Massachusetts; New Jersey; Florida; Washington DC area; Illinois; Birmingham, AL; and all East Region Tenet Hospitals.

- Provide an independent contractor entitlement of $25 for each client enrolled and paid as a result of their efforts. Independent contractors will be required to sign appropriate documentation providing for this status. This entitlement will be tracked by CRYO-CELL and distributed monthly.

- Provide sales and educational materials to be distributed to OB/GYN offices. Continue to implement marketing programs to complement the contractors' efforts.

- Provide a pool of 150,000 options to purchase CCEL common stock. These options can be used as incentives, at Steve's discretion (and at the approval of CRYO-CELL management), for the distribution network. The option exercise price will be the market price of the stock at the time of issuance of the option.

- Reimburse Steve Ferens for travel/lodging to CRYO-CELL headquarters. All other expenses incurred by Steve Ferens to manage/supervise network are not reimbursable unless mutually agreed upon in advance.

IN WITNESS WHEREOF, the parties by their respective duly authorized representatives have executed this Agreement. This Agreement cannot be changed without mutual written consent.

CRYO-CELL International, Inc.	Medical Marketing Network, Inc.
By: /s/ DANIEL D. RICHARD	/s/ STEVE FERENS
Daniel D. Richard, C.E.O.	Steve Ferens, President
	/s/ STEVE FERENS
	Steve Ferens, individually

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