U. S. SECURITIES AND EXCHANGE COMMISSION
WASHINGTON D.C. 20549

FORM 10-QSB

(Mark One)
/ X / Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.
For the quarterly period ended February 28, 1999

/ / Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.
For the transition period from ______ to _______

Commission File Number 0-23386

CRYO-CELL INTERNATIONAL, INC.
(Exact name of Small Business Issuer as Specified in its Charter)

DELAWARE	22-3023093
(State or other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

3165 MCMULLEN BOOTH ROAD, BUILDING 5, CLEARWATER, FLORIDA 33761
(Address of Principal Executive Offices) (Zip Code)

Issuer's phone number, including area code: (727) 723-0333

(Former name, former address and former fiscal year, if changed since last report).

Check whether the issuer (1) has filed all reports required to be filed by section 13 or 15 (d) of the Exchange Act during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes / X / No / /

State the number of shares outstanding of each of the Registrant's classes of common stock, as of the latest practicable date. As of February 28, 1999, 8,507,598 shares of $0.01 par value common stock were outstanding.

Transitional Small Business Disclosure Format (check one). Yes / / No /X/

CRYO-CELL INTERNATIONAL, INC.

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

	February 28, 1999	November 30, 1998
CURRENT ASSETS		
Cash and cash equivalents	$ 289,489	$ 499,696
Stock subscription receivable	--	150,000
Accounts receivable and advances (net of allowance for doubtful accounts of $13,380)	103,475	47,642
Marketable securities	305,316	198,114
Refundable income taxes	8,078	8,078
Prepaid expenses and other current assets	192,466	79,690

Total current assets	898,824	983,220
PROPERTY AND EQUIPMENT		
Property and equipment, net	2,346,935	2,371,993
OTHER ASSETS		
Intangible assets (net of amortization of $43,913 and $42,269, respectively)	67,819	69,462
Marketable securities	551,808	521,279
Deposits with vendors and others	109,223	133,175
Total other assets	728,850	723,916
TOTAL ASSETS	$3,974,609	$4,079,129

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

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

LIABILITIES AND STOCKHOLDERS' EQUITY

<TABLE>
<CAPTION>

<S>	February 28, 1999 <C>	November 30, 1998 <C>
CURRENT LIABILITIES		
Accounts payable	$ 357,195	$ 293,159
Accrued expenses and withholdings	109,971	291,788
Short term borrowings	15,000	565,000
Convertible notes payable	10,000	540,000
Current portion of obligations under capital leases	5,494	4,805
Total current liabilities	497,660	1,694,752
OTHER LIABILITIES		
Unearned revenue	93,573	75,236
Deposits	25,000	25,000
Obligations under capital leases-net of current portion	14,372	15,928
Total other liabilities	132,945	116,164
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; 8,507,598 at February 28, 1999 and 7,654,598 at November 30, 1998 issued and outstanding)	85,085	76,546
Additional paid-in capital	10,014,460	8,651,428
Net realized gain (loss) on marketable securities	457,124	319,393
Accumulated deficit	(7,212,665)	(6,779,154)
Total stockholders' equity	3,344,004	2,268,213
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 3,974,609	$ 4,079,129

</TABLE>

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

CRYO-CELL INTERNATIONAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

<TABLE>
<CAPTION>

	Three Months Ended	
<S>	February 28, 1999 (unaudited) <C>	February 28, 1998 (unaudited) <C>
REVENUE	$ 219,466	$ 36,175
COSTS AND EXPENSES:		
Cost of sales	100,825	17,113
Marketing, general & administrative expenses	498,232	393,639
Research, development and related engineering	23,316	49,054
Depreciation and amortization	28,580	40,000

Total Cost and Expenses	650,953	499,806
OPERATING PROFIT (LOSS)	(431,487)	(463,631)
OTHER INCOME AND (EXPENSE):		
Interest income	--	6,699
Interest (Expense)	(2,024)	(11,037)
Gain on sale of unconsolidated affiliate's stock	--	68,620
Total Other Income	(2,024)	64,282
INCOME (LOSS) BEFORE EQUITY IN NET LOSS OF UNCONSOLIDATED AFFILIATE AND PROVISION FOR INCOME TAXES	(433,511)	(399,349)
Provision for income taxes	--	--
Equity in net loss of unconsolidated affiliate	--	108,094
NET INCOME (LOSS)	($ 433,511)	($ 507,443)
NET INCOME (LOSS) PER SHARE	($ 0.06)	($ 0.07)
Number of Shares Used In Computation	7,855,687	7,199,834

</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

<TABLE>
<CAPTION>

	Three Months Ended	
	February 28, 1999 (unaudited)	February 28, 1998 (unaudited)
<S>	<C>	<C>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (433,511)	$ (507,443)
Adjustments to reconcile net loss to cash used for operating activities:		
Depreciation and amortization	28,580	40,000
Equity in loss of unconsolidated affiliate	--	108,094
Payment of consulting and professional services with stock	61,250	
Changes in assets and liabilities:		
Accounts receivable	(55,833)	(24,593)
Prepaid expenses and other current assets	(112,776)	31,555
Accounts payable	64,036	5,202
Unearned revenue and deposits	18,337	26,088
Accrued expenses	(181,817)	(26,463)
Refundable income taxes	--	3,230
Deposits and other	23,952	(115,000)
NET CASH USED FOR OPERATING ACTIVITIES	(587,782)	(459,330)
CASH FLOWS USED FOR INVESTING ACTIVITIES:		
Purchases of property and equipment-net	(1,878)	(66,867)
NET CASH USED FOR INVESTING ACTIVITIES	$ (1,878)	$ (66,867)
CASH FLOWS FROM FINANCING ACTIVITIES		
Sale of stock options	--	62,500
Repayment of debt 1	(1,080,000)	
Issuance of common stock 1	1,460,320	137,500
Principal payments under capital leases	(867)	(262)
NET CASH PROVIDED BY FINANCING ACTIVITIES:	379,453	199,738
Increase (decrease) in cash and cash equivalents	(210,207)	(326,459)
Cash and cash equivalents:		
Beginning of year	499,696	814,156
End of period	$ 289,489	$ 487,697

</TABLE>

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

CONSOLIDATED STATEMENT OF CASH FLOWS

	Three Months Ended	
	February 28, 1999 (unaudited)	February 28, 1998 (unaudited)
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for:		
Interest	$ 2,024	$11,037
Income taxes	$ --	$ --

SUPPLEMENTAL SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:

1 In 1998 the Company received a convertible loan in the amount of $530,000. The loan was repaid in 1999 with the issuance of 302,857 shares of the Company's restricted common stock.

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

NOTE 1 - FINANCIAL STATEMENTS

The Consolidated Financial Statements including the Consolidated Balance Sheet as of February 28, 1999, Consolidated Statements of Operations for the three months ended February 28, 1999 and Consolidated Statement of Cash Flows for the three months ended February 28, 1999 have been prepared by the Company, without audit. In the opinion of Management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations and changes in cash flows at February 28, 1999 and for all periods presented have been made.

Certain information and footnote disclosures normally included in consolidated financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted. It is suggested that these condensed financial statements be read in conjunction with the financial statements and notes thereto included in the Company's November 30, 1998 Annual Report on Form 10-KSB.

NOTE 2 - MARKETABLE SECURITIES

NET/TECH INTERNATIONAL

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 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, to account for the investment. Under this guidance all of the Company's marketable securities are classified as available-for-sale as of the balance sheet date and reported at fair value, with unrealized gains and losses recorded as a component of stockholders' equity. 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. 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.

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 fiscal year 1998 were both $515,574. Additionally, an unrealized gain has been recorded as a component of stockholders' equity in the amount of $732,124 and $685,393 to reflect the fair market value of the investment as of February 28, 1999 and November 30, 1998, respectively.

NOTE 2 - MARKETABLE SECURITIES (CONT'D)

OTHER SECURITIES

In 1997 the Company acquired 100,000 shares of an equity security in payment for the sale of a Revenue Sharing Agreement. 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 February 28, 1999 and 1998 was $125,000 and $200,000 respectively and the unrealized holding loss on this security was $175,000 and $200,000 as of February 28, 1999 and 1998 respectively.

NOTE 3 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. Terms of the loan required interest to be paid monthly at the Bank's prime lending rate plus 1%. The agreement expired on August 21, 1998 and in December 1998, the loan was paid in full.

NOTE 4 - COMMITMENTS AND CONTINGENCIES

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-Cord/TM/ 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 60,000 shares as of February 28, 1999. The Company issued 10,000 shares to Ferens as of November 30, 1998 and an additional 50,000 shares have been issued as of February 28, 1999. These issuances resulted in compensation expense of $42,500 during 1998, $34,000 of which is an accrued expense as of November 30, 1998 and compensation expense of $23,750 as of February 28, 1999. The remaining shares will be issued as outlined above and recorded as an expense in the period of issuance.

In January 1999, the Company extended its marketing agreement with Lamaze Publishing Company to sponsor the Lamaze tutorial tape and full page advertisements in the Lamaze Parent Magazine at a cost of $200,000. As of February 28, 1999, the Company paid $40,000 of this agreement and is recognizing this as a prepaid expense on the balance sheet.

NOTE 5 - 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 6 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, 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 7 STOCKHOLDERS EQUITY

In December 1998, the Company received $580,320 from the sale of 310,000 shares of its common stock at $1.87 per share. The proceeds from this transaction were used to eliminate the line of credit (see Note 3). In January and February 1999, the Company received $200,000 from the exercise of options to purchase 200,000 shares of its common stock at $1.00 per share.

NOTE 8 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.

NOTE 8 AGREEMENTS (CONT'D))

DUBLIND PARTNERS, INC.

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:

o 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.

o 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.

o 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.

o 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.

o 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:

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

o 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

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

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION.

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 1998 the Company consolidated its new specimen processing and storage activities to its own state of the art facility in its Clearwater, Florida headquarters.

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.

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. It is anticipated that this shift in focus will limit the number of new Lifespan/SM/ Center implementations in the future.

The Company's technology involves patented, multi-faceted cellular storage units and the technology for processing stem cells from umbilical cord blood. 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.

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.

The following is a discussion and analysis of the financial condition and results of operations of the Company for the quarter August 31, 1998 as compared to the same period of the prior year.

GENERAL

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 has also placed an ad in "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.

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.

During the quarter, the Company continued its program of marketing its Revenue Sharing Agreements. Under this arrangement the Company shares its storage revenues with investors who receive entitlements on storage spaces.

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.

MANAGEMENT

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.

RESULTS OF OPERATIONS

REVENUES. Revenues for the three months ended February 28, 1999 were $219,459 as compared to $36,175 in 1998. The increase reflects the significant growth in the processing and storage revenue associated with the Company's U-CordTM stem cell program. The Company believes that the growth is a result of its investments in its various marketing programs, including its activities with Lamaze Publishing, the launch of the Medical Marketing Network and the increased traffic on its updated website www.CRYO-CELL.com.

COST OF SALES. Cost of sales for the three months ended February 28, 1999 were $100,825 as compared to $17,113 in 1998. For the period ended February 28, 1999, $10,328 of the total 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. The remaining cost of sales for the three months ended February 28, 1999 represents the associated expenses resulting from the processing and testing of the U-Cord/TM/ specimens in the Company's own state of the art laboratory in Clearwater, Florida.

MARKETING, GENERAL AND ADMINISTRATIVE EXPENSES. Marketing, general and administrative expenses during the three months ended February 28, 1999 were $498,232 as compared to $393,639 in 1998. The increase reflects the expense of market development, client services associated with the Company's cellular storage program, continued product development, and the establishment of an expanded management team to handle the continuing growth. In addition, the Company incurred printing and promotional expenses associated with the marketing campaign with Lamaze Publishing Company and the Medical Marketing Network program.

RESEARCH, DEVELOPMENT AND RELATED ENGINEERING EXPENSES. Research, development and related engineering expenses for the three months ended February 28, 1999, were $23,316 as compared to $49,054 in 1998. The expenses incurred reflect the continued development of the Company's second generation cellular storage unit, as well as, the research and development of the Company's third generation cellular storage systems.

LIQUIDITY AND CAPITAL RESOURCES

At February 28, 1999, the Company had cash and cash equivalents of $289,489 as compared to $487,697 at February 28, 1998. 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 line of credit, the borrowing on a convertible loan and the sale of subsidiary stock.

The Company anticipates that cash reserves, cash flows from operations and the anticipated sale of its preferred stock will be sufficient to funds 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-CordTM 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.

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." 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 most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q to be filed by the Company in 1997 and any Current Reports on Form 8-K filed by the Company.

PART II - OTHER INFORMATION

ITEM 1. 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 planning on 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 6. 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. (6)
10.20	Agreement with Medical Marketing Network, Inc. (6)
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.

(6) Incorporated by reference to the Company's Annual Report on Form 10-K for the year ended November 30, 1998.

(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

Pursuant to the requirements 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.

/S/DANIEL D. RICHARD

Daniel D. Richard
Chief Executive Officer

Date: April 14, 1999

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