FORM 10-Q
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

(Mark One)

|X| QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2000

OR

|_| 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 1-12830

BioTime, Inc.
(Exact name of registrant as specified in its charter)

California	94-3127919
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

935 Pardee Street
Berkeley, California 94710

(Address of principal executive offices)

(510) 845-9535
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 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__

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. 10,892,965 common shares, no par value, as of August 14, 2000.

PART 1--FINANCIAL INFORMATION

Statements made in this Report that are not historical facts may constitute forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from those discussed. Such risks and uncertainties include but are not limited to those discussed in this report under Item 1 of the Notes to Financial Statements, and in BioTime's Annual Report on Form 10-K filed with the Securities and Exchange Commission. Words such as "expects," "may," "will," "anticipates," "intends," "plans," "believes," "seeks," "estimates," and similar expressions identify forward-looking statements.

Item 1. Financial Statements

BIOTIME, INC,

(A Development Stage Company)

CONDENSED BALANCE SHEETS

(Unaudited)

ASSETS	June 30, 2000	December 31, 1999
CURRENT ASSETS		
Cash and cash equivalents	$ 2,426,876	$ 5,292,806
Prepaid expenses and other current assets	111,233	107,285
Total current assets	2,538,109	5,400,091
EQUIPMENT, Net of accumulated depreciation of $313,430 and $276,647	260,684	268,653
DEPOSITS AND OTHER ASSETS	9,900	9,900
TOTAL ASSETS	$ 2,808,693	$ 5,678,644

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 308,170	$ 595,512
COMMITMENTS		
SHAREHOLDERS' EQUITY:		
Preferred Shares, no par value, undesignated as to Series, authorized 1,000,000 shares; none outstanding		
Common Shares, no par value, authorized 40,000,000 shares; issued and outstanding 10,892,257 and 10,891,031	27,267,479	27,200,380
Contributed Capital	93,972	93,972
Deficit accumulated during development stage	(24,860,928)	(22,211,220)
Total shareholders' equity	2,500,523	5,083,132
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 2,808,693	$ 5,678,644

See notes to condensed financial statements.

BIOTIME, INC.

(A Development Stage Company)

CONDENSED STATEMENTS OF OPERATIONS

(Unaudited)

	Three Months Ended		Six Months Ended		Period from Inception (November 30, 1990) to June 30, 2000
	June 30, 2000	June 30, 1999	June 30, 2000	June 30, 1999	
REVENUE:					
License fee	$ --	$ 600,000	$ --	$ 1,037,500	$ 2,500,000
EXPENSES:					
Research and development	(930,147)	(1,072,522)	(1,840,077)	(1,812,006)	(18,422,586)
General and administrative	(448,713)	(599,502)	(924,181)	(1,112,952)	(10,610,635)
Total expenses	(1,378,860)	(1,672,024)	(2,764,258)	(2,924,958)	(29,033,221)
INTEREST AND OTHER INCOME:	49,099	81,430	114,550	109,925	1,697,124
NET LOSS	$ (1,329,761)	$ (990,594)	$(2,649,708)	$(1,777,533)	$ (24,836,097)
BASIC AND DILUTED LOSS PER SHARE	$ (0.12)	$ (0.09)	$ (0.24)	$ (0.17)	
COMMON AND EQUIVALENT SHARES USED IN COMPUTING PER SHARE AMOUNTS:					
BASIC AND DILUTED	10,892,247	10,816,766	10,892,022	10,526,137	

See notes to condensed financial statements.

BIOTIME, INC.
(A Development Stage Company)

STATEMENTS OF SHAREHOLDERS' EQUITY

	Series A Convertible Preferred Shares		Common Shares			Deficit Accumulated
	Number of Shares	Amount	Number of Shares	Amount	Contributed Capital	During Development Stage
BALANCE, November 30, 1990 (date of inception)	--	--	--	--	--	--
NOVEMBER 1990						
Common shares issued for cash			1,312,758	$ 263		
DECEMBER 1990:						
Common shares issued for stock of a separate entity at fair value			1,050,210	137,400		
Contributed equipment at appraised value					$ 16,425	
Contributed cash					77,547	
MAY 1991:						
Common shares issued for cash less offering costs			101,175	54,463		
Common shares issued for stock of a separate entity at fair value			100,020	60,000		
JULY 1991:						
Common shares issued for services performed			30,000	18,000		
AUGUST-DECEMBER 1991						
Preferred shares issued for cash less offering costs of $125,700	360,000	$474,300				
MARCH 1992:						
Common shares issued for cash less offering costs of $1,015,873			2,173,500	4,780,127		
Preferred shares converted into common shares	(360,000)	(474,300)	360,000	474,300		
Dividends declared and paid on preferred shares						$(24,831)
MARCH 1994:						
Common shares issued for cash less offering costs of $865,826			2,805,600	3,927,074		
JANUARY-JUNE 1995:						
Common shares repurchased with cash			(253,800)	(190,029)		
JULY 1995-JUNE 1996:						
Common shares issued for cash			608,697	1,229,670		
Common shares repurchased with cash			(18,600)	(12,693)		
Common shares warrants and options granted for services				356,000		
NET LOSS						(8,064,471)
BALANCE AT JUNE 30, 1996	--	$ --	8,269,560	10,834,575	93,972	(8,089,302)

See notes to financial statements.

(Continued)

BIOTIME, INC.
(A Development Stage Company)

STATEMENTS OF SHAREHOLDERS' EQUITY

(Continued)	Series A Convertible Preferred Shares		Common Shares			Deficit Accumulated
	Number of Shares	Amount	Number of Shares	Amount	Contributed Capital	During Development Stage
Common shares issued for cash less offering costs of $170,597			849,327	5,491,583		
Common shares issued for cash (exercise of options and warrants)			490,689	1,194,488		
Common shares warrants and options granted for service				105,000		
NET LOSS						(3,094,210)
BALANCE AT JUNE 30, 1997	--	$ --	9,609,576	$17,625,646	$ 93,972	$ (11,183,512)
Common shares issued for cash (exercise of options)			337,500	887,690		
Common shares warrants and options granted for service				38,050		
Common shares issued for services			500	6,250		
NET LOSS						(3,453,346)
BALANCE AT JUNE 30,1998	--	--	9,947,576	18,557,636	93,972	(14,636,858)
Common shares issued for cash (exercise of options and warrants)			84,000	395,730		
Common shares options granted for services				50,000		
Common shares issued for services			1,500	18,750		
NET LOSS						(2,094,478)
BALANCE AT DECEMBER 31, 1998	--	--	10,033,076	19,022,116	93,972	(16,731,336)
Common shares issued for cash (less offering costs of $128,024)			751,654	7,200,602		
Common shares issued for cash and exchange for 2,491 common shares which were canceled (exercise of options)			65,509	199,810		
Common shares issued for services			792	9,900		
Common shares warrant donated (Note 4)				552,000		
Common shares issued for cash (exercise of warrant)			40,000	20,000		
Options granted for services				195,952		
NET LOSS						(5,479,884)
BALANCE AT DECEMBER 31, 1999	--	--	10,891,031	27,200,380	93,972	(22,211,220)
Common Shares issued for services - unaudited			1,226	15,100		
Options granted for services - unaudited				51,999		
NET LOSS - unaudited						(2,649,708)
BALANCE AT MARCH 31, 2000 - unaudited	--	$ --	10,892,257	$27,627,479	$ 93,972	$ (24,860,928)

See notes to financial statements. (Concluded)

BIOTIME, INC.

(A Development Stage Company)

CONDENSED STATEMENTS OF CASH FLOWS

(Unaudited)

	Six Months Ended June 30,		Period from Inception (November 30, 1990)
	2000	1999	to June 30, 2000
OPERATING ACTIVITIES:			
Net loss	$ (2,649,708)	$ (1,777,533)	$ (24,836,097)
Adjustments to reconcile net loss to net cash used in operating activities:			
Deferred Revenue	-	(187,500)	(1,000,000)
Depreciation	36,783	25,824	313,430
Cost of Donation - warrants	-	-	552,000
Cost of Services - options and warrants	67,099	92,980	865,001
Supply Reserves	-	-	200,000
Changes in operating assets and liabilities:			
Research and development supplies on hand	-	-	(200,000)
Prepaid expenses and other current assets	(3,948)	4,719	(111,233)
Deposits and other assets	-	33,800	(9,900)
Accounts payable	(287,342)	31,078	308,170
License fee receivables	-	(850,000)	-
Deferred revenue	-	-	1,000,000
Net cash used in operating activities	(2,837,116)	(2,626,632)	(22,918,629)
INVESTING ACTIVITIES:			
Sale of investments	-	-	197,400
Purchase of short-term investments	-	-	(9,946,203)
Redemption of short-term investments	-	-	9,946,203
Purchase of equipment and furniture	(28,814)	(53,759)	(557,689)
Net cash used in investing activities	(28,814)	(53,759)	(360,289)
FINANCING ACTIVITIES:			
Issuance of preferred shares for cash	-	-	600,000
Preferred shares placement costs	-	-	(125,700)
Issuance of common shares for cash	-	7,328,626	23,701,732
Common shares placement costs	-	(128,024)	(2,180,320)
Net proceeds from exercise of common share options and warrants	-	195,850	3,860,088
Contributed capital - cash	-	-	77,547
Dividends paid on preferred shares	-	-	(24,831)
Repurchase Common Shares	-	-	(202,722)
Net cash provided by financing activities	-	7,396,452	25,705,794
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,865,930)	4,716,061	2,726,876
CASH AND CASH EQUIVALENTS:			
At beginning of period	5,292,806	2,429,014	--
At end of period	$ 2,426,876	$ 7,145,075	$ 2,426,876

(Continued)

BIOTIME, INC.

(A Development Stage Company)

CONDENSED STATEMENTS OF CASH FLOWS

(Unaudited)

	Six Months Ended June 30,		Period from Inception (November 30, 1990) to June 30, 2000
	2000	1999	
NONCASH FINANCING AND INVESTING ACTIVITIES:			
Receipt of contributed equipment			$ 16,425
Issuance of common shares in exchange for shares of common stock of Cryomedical Sciences, Inc. in a stock-for-stock transaction			$ 197,400
Granting of options and warrants for services	$ 51,999	$ 92,980	$ 815,001
Issuance of common shares in exchange for services	$ 15,100		$ 50,000

See notes to condensed financial statements. (Concluded)

BIOTIME, INC.

(A Development Stage Company)

NOTES TO FINANCIAL STATEMENTS

1. GENERAL AND DEVELOPMENT STAGE ENTERPRISE

General - BioTime, Inc. (the Company) was organized November 30, 1990 as a California corporation. The Company is a biomedical organization, currently in the development stage, which is engaged in the research and development of synthetic plasma expanders, blood volume substitute solutions, and organ preservation solutions, for use in surgery, trauma care, organ transplant procedures, and other areas of medicine.

The balance sheet as of June 30, 2000, the statements of operations for the three months and six months ended June 30, 2000 and 1999 and the period from inception (November 30, 1990) to June 30, 2000, the statement of shareholders' equity for the six month period ended June 30, 2000, and the statements of cash flows for the six months ended June 30, 2000 and 1999 and the period from inception (November 30, 1990) to June 30, 2000 have been prepared by the Company without audit. In the opinion of management, all adjustments (consisting only of normal recurring adjustments) necessary to present fairly the financial position, results of operations, shareholders' equity and cash flows at June 30, 2000 and for all periods presented have been made. The balance sheet as of December 31, 1999 is derived from the Company's audited financial statements as of that date. The results of operations for the period ended June 30, 2000 are not necessarily indicative of the operating results anticipated for the full year.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted as permitted by regulations of the Securities and Exchange Commission. Certain previously furnished amounts have been reclassified to conform with presentations made during the current periods. It is suggested that these interim condensed financial statements be read in conjunction with the annual audited financial statements and notes thereto included in the Company's Form 10-K for the year ended December 31, 1999.

Certain Significant Risks and Uncertainties - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Such management estimates include certain accruals. Actual results could differ from those estimates.

The Company's operations are subject to a number of factors that can affect its operating results and financial condition. Such factors include but are not limited to the following: the

results of clinical trials of the Company's products; the Company's ability to obtain United States Food and Drug Administration and foreign regulatory approval to market its products; competition from products manufactured and sold or being developed by other companies; the price of and demand for Company products; the Company's ability to obtain additional financing and the terms of any such financing that may be obtained; the Company's ability to negotiate favorable licensing or other manufacturing and marketing agreements for its products; the availability of ingredients used in the Company's products; and the availability of reimbursement for the cost of the Company's products (and related treatment) from government health administration authorities, private health coverage insurers and other organizations.

Development Stage Enterprise - Since inception, the Company has been engaged in research and development activities in connection with the development of synthetic plasma expanders, blood volume substitute solutions and organ preservation products. The Company has limited operating revenues and has incurred operating losses of $24,836,097 from inception to June 30, 2000. The successful completion of the Company's product development program and, ultimately, achieving profitable operations is dependent upon future events including maintaining adequate capital to finance its future development activities, obtaining regulatory approvals for the products it develops and achieving a level of revenues adequate to support the Company's cost structure.

2. RECENTLY ISSUED ACCOUNTING STANDARDS

In June 1998, the Financial Accounting Standards Board issued Statement of Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities," (SFAS 133) which establishes accounting and reporting standards for derivative instruments and for hedging activities. SFAS 133 requires that entities recognize all derivatives as either assets or liabilities and measure those instruments at fair value. Adoption of this statement will not impact the Company's financial position, results of operations or cash flows. The Company is currently required to adopt SFAS 133 in the first quarter of the fiscal year ending December 31, 2001.

In December 1999 the Securities and Exchange Commission (SEC) released Staff Accounting Bulletin No. 101 "Revenue Recognition in Financial Statements" which summarizes certain of the staff's views in applying generally accepted accounting principles to revenue recognition in financial statements. The Company will adopt this statement in the fourth quarter of its year ending December 31, 2000. Management does not expect any material impact as a result of adopting the guidelines of this standard.

In March 2000, the Financial Accounting Standards Board issued Interpretation No. 44, Accounting for Certain Transactions Involving Stock Compensation (FIN 44), that clarifies guidance for certain issues related to the application of APB Opinion No. 25, Accounting for

Stock Issued to employees (APB 25). Management does not believe that FIN 44 will have a material impact on accounting for future instruments.

3. LICENSE AGREEMENT

In April 1997, BioTime and Abbott Laboratories ("Abbott") entered into an Exclusive License Agreement (the "License Agreement") under which BioTime granted to Abbott an exclusive license to manufacture and sell BioTime's proprietary blood plasma volume expander solution Hextend in the United States and Canada for certain therapeutic uses.

Under the License Agreement, Abbott has paid the Company $2,500,000 of license fees based upon achievement of specified milestones. Up to $37,500,000 of additional license fees will be payable based upon annual net sales of Hextend at the rate of 10% of annual net sales if annual net sales exceed $30,000,000 or 5% if annual net sales are between $15,000,000 and $30,000,000. Abbott's obligation to pay license fees on sales of Hextend will expire on the earlier of January 1, 2007 or, on a country by country basis, when all patents protecting Hextend in the applicable country expire or any third party obtains certain regulatory approvals to market a generic equivalent product in that country.

In addition to the license fees, Abbott will pay the Company a royalty on annual net sales of Hextend. The royalty rate will be 5% plus an additional .22% for each increment of $1,000,000 of annual net sales, up to a maximum royalty rate of 36%. Abbott's obligation to pay royalties on sales of Hextend will expire in the United States or Canada when all patents protecting Hextend in the applicable country expire and any third party obtains certain regulatory approvals to market a generic equivalent product in that country.

The Company will recognize such revenues in the quarter in which the sales report is received, rather than the quarter in which the sales took place, as the Company does not have sufficient sales history to accurately predict quarterly sales. Revenues for the six months ended June 30, 2000 include royalties on sales made by Abbott during the three months ended March 31, 2000. Royalties on sales made during the second quarter of 2000 will not be recognized by the Company until the third quarter of fiscal year 2000. Royalties for the quarter ended March 31, 2000 and the second quarter of fiscal 2000 were not material to BioTime's financial results.

Abbott has agreed that the Company may convert Abbott's exclusive license to a non- exclusive license or may terminate the license outright if certain minimum sales and royalty payments are not met. In order to terminate the license outright, BioTime would pay a termination fee in an amount ranging from the milestone payments made by Abbott to an amount equal to three times prior year net sales, depending upon when termination occurs. Management believes that the probability of payments of any termination fee by the Company is remote.

4. SHAREHOLDERS' EQUITY

The Board of Directors of the Company adopted the 1992 Stock Option Plan (the "Plan") during September 1992. The Plan was approved by the shareholders at the 1992 Annual Meeting of Shareholders on December 1, 1992. Under the Plan, as amended, the Company has reserved 1,800,000 common shares for issuance under options granted to eligible persons. No options may be granted under the Plan more than ten years after the date the Plan was adopted by the Board of Directors, and no options granted under the Plan may be exercised after the expiration of ten years from the date of grant.

Under the Plan, options to purchase common shares may be granted to employees, directors and certain consultants at prices not less than the fair market value at date of grant for incentive stock options and not less than 85% of fair market value for other stock options. These options expire five to ten years from the date of grant and may be fully exercisable immediately, or may be exercisable according to a schedule or conditions specified by the Board of Directors or the Option Committee. As of June 30, 2000, 450,500 shares were available for future grants under the Option Plan; and options to purchase 551,000 had been granted and were outstanding at exercise prices ranging from $1.00 to $18.25. Of the options granted to consultants, options to purchase 60,000 common shares vest upon achievement of certain milestones. The Company is amortizing into compensation the estimated fair value of such options ($354,791 at June 30, 2000), subject to remeasurement at the end of each reporting period, over the period estimated to achieve such milestones (one to two years). Compensation expense recognized on these options during the six months ended June 30, 2000 was approximately $51,999 and was recorded as research and development expense.

5. NET INCOME PER SHARE

Basic earnings (loss) per share excludes dilution and is computed by dividing net income (loss) by the weighted average number of common shares outstanding during the period. Diluted earnings (loss) per share reflects the potential dilution from securities and other contracts which are exercisable or convertible into common shares. Diluted earnings (loss) per share for the three months ended March 31, 2000 and the year ended December 31, 1999 exclude any effect from such securities as their inclusion would be antidilutive. As a result, there is no difference between basic and diluted calculations of loss per share for all periods presented.

6. SUBSEQUENT EVENTS

During April 1998, the Company entered into a financial advisory services agreement with Greenbelt Corp. The agreement provided for an initial payment of $90,000 followed by an advisory fee of $15,000 per month that was paid quarterly. On August 11, 2000, the board approved

the renewal of this agreementfor a period of twelve months ending March 31, 2001, but instead of cash compensation Greenbelt Corp. will receive 30,000 common shares in four quarterly installments of 7,500 shares each. Under the agreement, upon the request of Greenbelt Corp., the Company will file a registration statement to register the shares for public sale.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

Since its inception in November 1990, the Company has been engaged primarily in research and development activities. The Company has not yet generated significant operating revenues, and as of June 30, 2000 the Company had incurred a cumulative net loss of $24,836,097. The Company's ability to generate substantial operating revenue depends upon its success in developing and marketing or licensing its plasma volume expanders and organ preservation solutions and technology for medical use.

Most of the Company's research and development efforts have been devoted to the development of the Company's first three blood volume replacement products: Hextend, PentaLyte, and HetaCool. By testing and bringing all three products to the market, BioTime can increase its market share by providing the medical community with solutions to match patients' needs.

The Company's first product, Hextend(R), is a physiologically balanced blood plasma volume expander, for the treatment of hypovolemia. Hypovolemia is a condition often associated with blood loss during surgery or from injury. Hextend maintains circulatory system fluid volume and oncotic pressure and keeps vital organs perfused during surgery. Hextend, approved for large-volume use in major surgery, is the only blood plasma volume expander that contains hetastarch, buffer, multiple electrolytes and glucose. Hextend is designed to compete with and to replace flawed older products such as albumin and other colloid solutions, as well as crystalloid solutions, that have been used to maintain fluid volume and blood pressure during surgery. Hextend is also completely sterile to avoid risk of infection. BioTime estimates that Hextend has now been successfully used in more than 15,000 patients undergoing surgery. Physicians who have used Hextend in surgery have reported good results and a number of benefits, including reduced hospital stays in certain cases and a

noticeable reduction in edema due to a reduced use of crystalloid solutions. Health insurance reimbursements and HMO coverage generally includes the cost of Hextend used in surgical procedures.

Hextend is being sold in the United States by Abbott Laboratories under an exclusive license from the Company. Abbott also has the right to sell Hextend in Canada, where an application for marketing approval is pending. BioTime has retained all rights to manufacture, sell or license Hextend and other products in all other countries. Abbott also has a right to obtain licenses to manufacture and sell other BioTime products. See Note 3 of Notes to Financial Statements for more information about the license granted to Abbott Laboratories.

Under its License Agreement with the Company, Abbott will report sales of Hextend and pay the Company the royalties and license fees due on account of such sales within 90 days after the end of each calendar quarter. The Company will recognize such revenues in the quarter in which the sales report is received, rather than the quarter in which the sales took place. Revenues for the three months ended June 30, 2000 include royalties on sales made by Abbott during the three months ended March 31, 2000. Royalties on sales made during the second quarter of 2000 will not be recognized by the Company until the third quarter of fiscal year 2000. Royalties on sales made during the three months ended March 31, 2000 and the during three months ended June 30, 2000 were not material to BioTime's financial results.

Although Hextend sales are still in the ramp-up phase, Abbott has made significant progress in implementing a dynamic marketing strategy designed to produce a significant growth in sales. Because Hextend is a surgical product, sales will be determined by anesthesiologists, surgeons practicing a variety of specialties, and hospital pharmacists. Abbott's marketing strategy is designed to reach this target customer base.

Abbott's product market launch has entailed educating its sales force about the uses and benefits of Hextend, developing a unique product logo, launching a product advertising campaign that includes advertisements in medical journals, developing brochures and sales aids for distribution by its sales force, and developing and implementing a program to obtain hospital formulary committee approval. The current Hextend advertising campaign features high quality, multi-color, multi-page print spreads that focus on the physiological basis of using a plasma-like substance to replace lost blood volume, and stress the ability of Hextend to support vital physiological processes at high volume use. In addition, Abbott has sponsored presentations of Hextend at several major medical conferences and has plans for additional presentations at future conferences.

Abbott is also working with hospitals to have Hextend approved for use and added to hospital formularies, and has obtained or is seeking formulary committee approval at several hundred hospitals. Inclusion on hospital formularies is important because it enables physicians to obtain Hextend without the need to special order it. Obtaining formulary approval generally takes several months and requires diligent efforts by the sales force who not only provide Hextend to the hospital but also can provide the formulary committee with necessary information showing that the product is safe and effective. To facilitate product acceptance, substantial quantities of Hextend were

introduced into hospitals at no charge. While this may cause a delay in revenues from product sales, it is often effective in obtaining market penetration.

Abbott has concentrated on establishing Hextend as the standard plasma volume expander at prominent teaching hospitals and leading medical centers, such as Duke University Medical Center in Durham, North Carolina and Columbia-Presbyterian Medical Center in New York, New York which have switched to Hextend from 6% hetastarch in saline.

As part of the marketing program, Abbott and the Company are financing a number of medical studies comparing patient outcomes and costs of treatment of patients receiving Hextend compared to other products during surgery. As these studies are completed, the results will be presented at medical conferences and articles will be written for publication in medical journals. The Company is also aware of independent studies that are being conducted by physicians and hospitals, who may publish their findings in medical journals. The outcome of the planned medical studies and timing of the publication of the results could have an effect on the growth of demand for Hextend and sales by Abbott. The next major medical conference at which certain of these Hextend studies, including the results of the Company's study involving elderly patients undergoing major elective surgery, will be be presented is the American Society of Anesthesiologists Annual Meeting to be held in San Francisco on October 14 to 18, 2000.

As a result of Abbott's aggressive marketing efforts, quarterly sales of Hextend have been rising since the product launch in October 1999. The number of hospital formularies that have approved Hextend, the number of hospitals purchasing Hextend, and the number of patients treated with Hextend, is growing. The Company expects Hextend sales growth to continue as the number of hospital formularies that have approved Hextend increases, and as surgeons and anaesthesiologists become more familiar with the benefits that can be attained for their patients by using Hextend in the operating room.

The Company intends to enter global markets through licensing agreements with overseas pharmaceutical companies. By licensing its products abroad, the Company will avoid the capital costs and delays inherent in acquiring or establishing its own pharmaceutical manufacturing facilities and establishing an international marketing organization. A number of pharmaceutical companies in Europe, Asia and other markets around the world have expressed their interest in obtaining licenses to manufacture and market the Company's products. The Company is continuing to meet with representatives of interested companies and is approaching agreement to license its products in certain parts of the world. In addition, the Company is discussing an arrangement with a leading producer of the hydroxyethyl starch used in Hextend through which the Company would obtain a source of supply of that ingredient and assistance in regulatory matters for approval of Hextend for the European market.

The Company is also pursuing a global clinical trial strategy, the goal of which is to permit the Company to obtain regulatory approval for its products as quickly and economically as practicable. For example, the United States Phase III clinical trials of Hextend involved 120 patients and were completed in less than 12 months. Although regulatory requirements vary from country to country, the Company may be able to file applications for foreign regulatory approval of its products

based upon the results of the United States clinical trials. The Company's application to market Hextend in Canada has been found acceptable for review as a New Drug Submission by the Canadian Health Protection Branch (HPB), and the Company is now awaiting completion of HPB's review of that application. Regulatory approvals for countries that are members of the European Union may be obtained through a mutual recognition process. If approvals can be obtained in the requisite number of member nations, then the Company would be permitted to market Hextend in all 16 member nations. The Company plans to file a European Union application in Sweden. That filing is expected to take place this summer and will be based upon the results of the Company's completed clinical trials.

The Company has begun a Phase I clinical trial of PentaLyte involving a small number of subjects. Upon completion of this small safety study, BioTime plans to test PentaLyte for the treatment of hypovolemia in surgery. PentaLyte contains a lower molecular weight hydroxyethyl starch than Hextend, and is more quickly metabolized. PentaLyte is designed for use when short lasting volume expansion is desirable.

The Company is also continuing to develop solutions for low temperature surgery. A number of physicians have reported using Hextend to treat hypovolemia under mild hypothermic conditions during cardiac surgery. Additional surgeries have been performed at deeper hypothermic temperatures. Once a sufficient amount of data from successful low temperature surgery has been compiled, the Company plans to seek permission to use Hextend as a complete replacement for blood under near-freezing conditions. BioTime currently plans to market Hextend for complete blood volume replacement at very low temperatures under the trade mark "HetaCool(TM)" after FDA approval is obtained.

In order to commence clinical trials for regulatory approval of new products or new therapeutic uses of products, it will be necessary for the Company to prepare and file with the FDA an Investigational New Drug Application ("IND") or an amendment to expand a previous filing. Filings with foreign regulatory agencies will be required to commence clinical trials overseas.

In addition to developing clinical trial programs, the Company plans to continue to provide funding for its laboratory testing programs at selected universities, medical schools and hospitals for the purpose of developing additional uses of Hextend, PentaLyte, HetaCool, and other new products, but the amount of research that will be conducted at those institutions will depend upon the Company's financial status. Because the Company's research and development expenses, clinical trial expenses, and production and marketing expenses will be charged against earnings for financial reporting purposes, management expects that losses from operations will continue to be incurred for the foreseeable future.

Hextend(R) and PentaLyte(R) are registered trademarks, and HetaCool(TM) is a trademark, of BioTime.

Results of Operations

Revenues

From inception (November 30, 1990) through June 30, 2000, the Company recognized $2,500,000 of license fee revenues. For the three months ended June 30, 2000, no license fee revenue based on product sales was earned or recognized. All license fees based upon milestones under the Abbott License Agreement were earned during prior periods. For the three months ended June 30, 1999, the Company recognized revenue of $600,000 for the achievement of certain milestones. For the six months ended June 30, 1999, the Company recognized revenues of $1,037,500, as additional license fee milestones were achieved in 1999. See Note 3 to the accompanying financial statements.

Operating Expenses

From inception (November 30, 1990) through June 30, 2000, the Company incurred $18,422,586 of research and development expenses, including salaries, supplies and other related expense items. Research and development expenses were $930,147 for the three months ended June 30, 2000, compared to $1,072,522 for the three months ended June 30, 1999. The difference is attributable to a decrease in compensation expense recognized for the value of certain consultants' options. See Note 4 to the accompanying financial statements. Research and development expenses increased to $1,840,077 for the six months ended June 30, 2000, from $1,812,006 for the six months ended June 30, 1999. Research and development expenses include laboratory study expenses, European clinical trial expenses, salaries, preparation of additional regulatory applications in the United States and Europe, manufacturing of solution for trials, and consultants' fees. It is expected that research and development expenses will increase as the Company commences new clinical studies of its products in the United States and Europe.

From inception (November 30, 1990) through June 30, 2000, the Company incurred $10,610,635 of general and administrative expenses. General and administrative expenses were $448,713 for the three months ended June 30, 2000, compared to $599,502 for the three months ended June 30, 1999. General and administrative expenses decreased to $924,181 for the six months ended June 30, 2000, from $1,112,952 for the six months ended June 30, 1999. The decrease is primarily attributable to a reduction in personnel costs. General and administrative expenses include salaries, consultants' fees, and general operating expenses.

Interest and Other Income

From inception (November 30, 1990) through June 30, 2000, the Company generated $1,697,124 of interest and other income. For the three months ended June 30, 2000, the Company generated $49,099 of interest and other income, compared to $81,430 for the three months ended June 30, 1999. The decrease in interest income in 2000 is attributable to a decrease in cash and cash equivalents. The interest and other income generated increased to $114,550, for the six months ended June 30, 2000, from $109,925 for the six months ended June 30, 1999. The increase in interest and other income during the six months ended June 30, 2000 is attributable to higher average cash balances and some royalty revenue during that six month period.

Liquidity and Capital Resources

Since inception, the Company has primarily financed its operations through the sale of equity securities and licensing fees, and at June 30, 2000 the Company had cash and cash equivalents of approximately $2,400,000. The Company has been advised by Greenbelt Corp. that it intends to exercise warrants to purchase 389,094 shares for $750,951.42 on or before October 15, 2000. Greenbelt Corp. has advised the Company that it intends to hold the shares for investment purposes. Ronald S. Barkin, President of the Company has advised the Company that he intends to exercise stock options to purchase 45,000 shares for $45,000. The Company expects that its cash on hand will be sufficient to finance its operations for approximately the next twelve months, but it will have to curtail the pace of its product development efforts unless its cash resources increase through a growth in revenues or additional equity investment. Accordingly, additional funds are required for the successful completion of the Company's product development activities. The Company has not received significant royalties and licensing fees from the sale of Hextend. Although the Company will continue to seek licensing fees from pharmaceutical companies for licenses to manufacture and market the Company's products abroad, it is likely that additional sales of equity or debt securities will be required to meet the Company's short-term capital needs. Sales of additional equity securities could result in the dilution of the interests of present shareholders.

The amount of license fees and royalties that may be earned through the licensing and sale of the Company's products, as well as the future availability and terms of equity and debt financings, is uncertain. The unavailability or inadequacy of financing or revenues to meet future capital needs could force the Company to modify, curtail, delay or suspend some or all aspects of its planned operations.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

The Company did not hold any market risk sensitive instruments as of June 30, 2000, December 31, 1999, or June 30, 1999.

PART II - OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits.

Exhibit

Exhibit Numbers	Description
3.1	Articles of Incorporation, as Amended.+
3.3	By-Laws, As Amended.#
4.1	Specimen of Common Share Certificate.+
10.1	Lease Agreement dated July 1, 1994 between the Registrant and Robert and Norah Brower, relating to principal executive offices of the Registrant.*
10.2	Employment Agreement dated June 1, 1996 between the Company and Paul Segall.++
10.3	Employment Agreement dated June 1, 1996 between the Company and Hal Sternberg.++
10.4	Employment Agreement dated June 1, 1996 between the Company and Harold Waitz.++
10.5	Employment Agreement dated June 1, 1996 between the Company and Judith Segall.++
10.6	Employment Agreement dated June 1, 1996 between the Company and Victoria Bellport.++
10.7	Intellectual Property Agreement between the Company and Paul Segall.+
10.8	Intellectual Property Agreement between the Company and Hal Sternberg.+
10.9	Intellectual Property Agreement between the Company and Harold Waitz.+
10.10	Intellectual Property Agreement between the Company and Judith Segall.+
10.11	Intellectual Property Agreement between the Company and Victoria Bellport.+
10.12	Agreement between CMSI and BioTime Officers Releasing Employment Agreements, Selling Shares, and Transferring Non-Exclusive License.+
10.13	Agreement for Trans Time, Inc. to Exchange CMSI Common Stock for BioTime, Inc. Common Shares.+
10.14	1992 Stock Option Plan, as amended.##
10.15	Employment Agreement dated April 1, 1997 between the Company and Ronald S. Barkin.^

10.16 Intellectual Property Agreement between the Company and Ronald S. Barkin.^

10.17 Addenda to Lease Agreement between the Company and Donn Logan.**

10.18 Amendment to Employment Agreement between the Company and Paul Segall.^^

10.19 Amendment to Employment Agreement between the Company and Hal Sternberg.^^

10.20 Amendment to Employment Agreement between the Company and Harold Waitz.^^

10.21 Amendment to Employment Agreement between the Company and Judith Segall.^^

10.22 Amendment to Employment Agreement between the Company and Victoria Bellport.^^

10.23 Amendment to Employment Agreement between the Company and Ronald S. Barkin.^^

10.24 Exclusive License Agreement between Abbott Laboratories and BioTime, Inc.(Portions of this exhibit have been omitted pursuant to a request for confidential treatment).###

10.25 Modification of Exclusive License Agreement between Abbott Laboratories and BioTime, Inc.(Portions of this exhibit have been omitted pursuant to a request for confidential treatment).^^^

27 Financial Data Schedule**

+Incorporated by reference to the Company's Form 10-K for the fiscal year ended June 30, 1998.

+ Incorporated by reference to Registration Statement on Form S-1, File Number 33-44549 filed with the Securities and Exchange Commission on December 18, 1991, and Amendment No. 1 and Amendment No. 2 thereto filed with the Securities and Exchange Commission on February 6, 1992 and March 7, 1992, respectively.

Incorporated by reference to Registration Statement on Form S-1, File Number 33-48717 and Post-Effective Amendment No. 1 thereto filed with the Securities and Exchange Commission on June 22, 1992, and August 27, 1992, respectively.

* Incorporated by reference to the Company's Form 10-K for the fiscal year ended June 30, 1994.

++ Incorporated by reference to the Company's Form 10-K for the fiscal year ended June 30, 1996.

^ Incorporated by reference to the Company's Form 10-Q for the quarter ended March 31, 1997.

Incorporated by reference to Registration Statement on Form S-8, File Number 333-30603 filed with the Securities and Exchange Commission on July 2, 1997.

^ ^ Incorporated by reference to the Company's Form 10-Q for the quarter ended March 31, 1999.

Incorporated by reference to the Company's Form 8-K, filed April 24, 1997.

^^^ Incorporated by reference to the Company's Form 10-Q for the quarter ended June 30, 1999.

** Filed herewith.

(b) Reports on Form 8-K

The Company did not file any reports of Form 8-K for the three months ended June 30, 2000.

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.

BIOTIME, INC.

/s/ Paul Segall

Date: August 14, 2000

Paul Segall
Chief Executive Officer

/s/ Victoria Bellport

Date: August 14, 2000

Victoria Bellport
Chief Financial Officer

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