FORM 10-Q/A
Amendment No. 1

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 March 31, 1998

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. 9,935,579 common shares, no par value, as of May 15, 1998.

PART 1--FINANCIAL INFORMATION

Item 1. Financial Statements

BIOTIME, INC,
(A Development Stage Company)

CONDENSED BALANCE SHEETS
(Unaudited)

ASSETS	March 31, 1998	June 30, 1997
CURRENT ASSETS		
Cash and cash equivalents	$ 5,145,634	$ 7,811,634
Research and development supplies on hand	-	100,000
Prepaid expenses and other current assets	231,986	259,109
Total current assets	5,377,150	8,170,743
EQUIPMENT, Net of accumulated depreciation of $177,346 and $139,241	188,119	92,609
OTHER ASSETS	19,422	34,422
TOTAL ASSETS	$ 5,584,691	$ 8,297,774
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	268,991	$ 249,168
Accrued compensation	-	175,000
Deferred revenue - current portion	500,000	900,000
Total current liabilities	768,991	1,324,168
DEFERRED REVENUE	62,500	437,500

Total liabilities	831,491	1,761,668
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 25,000,000 shares; issued and outstanding 9,935,579 and 9,609,579	18,534,076	17,625,646
Contributed Capital	93,972	93,972
Deficit accumulated during development stage	(13,874,848)	(11,183,512)
Total shareholders' equity	4,753,200	6,536,106
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 5,584,691	$ 8,297,774

See notes to condensed financial statements.

BIOTIME, INC.
(A Development Stage Company)

CONDENSED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended March 31, 1998	Three Months Ended March 31, 1997	Nine Months Ended March 31, 1998	Nine Months Ended March 31, 1997	Period from Inception (November 30, 1990) to March 31, 1998
REVENUE:					
License Fee	125,000	--	775,000	--	837,500
EXPENSES:					
Research and development	$ (878,422)	$ (392,237)	$ (2,420,970)	$ (1,310,062)	$ (9,330,323)
General and administrative	(390,904)	(174,673)	(1,281,244)	(769,656)	(6,511,565)
Total expenses	(1,269,326)	(566,910)	(3,702,214)	(2,079,718)	(15,841,888)
INTEREST AND OTHER INCOME:	72,788	46,628	235,878	86,593	1,154,371
NET LOSS	$ (1,071,538)	$ (520,282)	$ (2,691,336)	$ (1,993,125)	$ (13,850,017)
BASIC LOSS PER SHARE	$ (0.11)	$ (0.06)	$ (0.27)	$ (0.23)	
DILUTED LOSS PER SHARE	$ (0.11)	$ (0.06)	$ (0.27)	$ (0.23)	
COMMON AND EQUIVALENT SHARES USED IN COMPUTING PER SHARE AMOUNTS:					
BASIC	9,919,079	9,206,862	9,796,406	8,633,730	
DILUTED	9,919,079	9,206,862	9,796,406	8,633,730	

See notes to condensed financial statements.

BIOTIME, INC.
(A Development Stage Company)

STATEMENTS OF SHAREHOLDERS' EQUITY

	Series A Convertible Preferred Shares		Common Shares			
	Number of Shares	Amount	Number of Shares	Amount	Contributed Capital	Deficit Accumulated During Development Stage
BALANCE, November 30, 1990 (date of inception)	--	--	--	--	--	--
NOVEMBER 1990						
Common shares issued for cash			1,312,761	$ 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		
NET LOSS SINCE INCEPTION						(3,721,389)
BALANCE AT JUNE 30, 1994	--	$ --	7,933,266	$9,451,627	$ 93,972	$(3,746,220)

See notes to condensed financial statements. (Continued)

BIOTIME, INC.
(A Development Stage Company)

STATEMENTS OF SHAREHOLDERS' EQUITY

	Series A Convertible Preferred Shares		Common Shares			Deficit Accumulated During Development Stage
	Number of Shares	Amount	Number of Shares	Amount	Contributed Capital	
BALANCE AT JUNE 30, 1994	--	$ --	7,933,266	$ 9,451,627	$ 93,972	$ (3,746,220)
Common shares repurchased with cash			(253,800)	(190,029)		
NET LOSS						(2,377,747)
BALANCE AT JUNE 30, 1995	--	$ --	7,679,466	$ 9,261,598	$ 93,972	$ (6,123,967)
Common shares issued for cash (exercise of options and warrants)			496,521	1,162,370		
Common shares issued for cash (lapse of recision)			112,176	67,300		
Common shares repurchased with cash			(18,600)	(12,693)		
Common shares warrants and options granted for services			--	356,000		
NET LOSS						(1,965,335)
BALANCE AT JUNE 30, 1996	--	$ --	8,269,563	$10,834,575	$ 93,972	$ (8,089,302)
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	--	$ --	9,609,579	$17,625,646	$ 93,972	$(11,183,512)
Common Shares issued for cash (exercise of options) - unaudited			325,500	874,130		
Common shares warrants and options granted for service - unaudited				28,050		
Common shares issued for services-unaudited			500	6,250		
NET LOSS - unaudited						(2,691,336)
BALANCE AT MARCH 31, 1998 - unaudited	--	$ --	9,935,579	$18,534,076	$ 93,972	$(13,874,848)

See notes to condensed financial statements. (Concluded)

BIOTIME, INC.
(A Development Stage Company)

CONDENSED STATEMENTS OF CASH FLOWS
(Unaudited)

	Nine Months Ended March 31, 1998	Nine Months Ended March 31, 1997	Period from Inception (November 30, 1990) to March 31, 1998
OPERATING ACTIVITIES:			
Net loss	$(2,691,336)	$ (1,993125)	$(13,850,017)
Adjustments to reconcile net loss to net cash used in operating activities:			
Deferred Revenue	(375,000)		(437,500)
Depreciation	38,106	30,451	177,347
Cost of Services - options and warrants	56,825	190,685	495,781
Supply Reserves	100,000	50,000	200,000
Changes in operating assets and liabilities:			
Research and development supplies on hand	--	--	(200,000)
Prepaid expenses and other current assets	4,597	(30,243)	(202,265)
Deposits	15,000	--	(19,422)
Accounts payable	19,823	(27,358)	268,991
Accrued compensation	(175,000)	--	--
Deferred revenue	(400,000)	--	1,000,000
Net cash used in operating activities	(3,406,985)	(1,779,590)	(12,567,085)
INVESTING ACTIVITIES:			
Sale of investments	--	--	197,400
Purchase of short-term investments	--	--	(9,946,203)
Redemption of short-term investments	--	--	9,934,000
Purchase of equipment and furniture	(133,615)	(9,119)	(349,040)
Net cash used in investing activities	(133,615)	(9,119)	(163,843)
FINANCING ACTIVITIES:			
Issuance of preferred shares for cash	--	--	600,000
Preferred shares placement costs	--	--	(125,700)
Issuance of common shares for cash	--	5,662,180	16,373,106
Net proceeds from exercise of common share options and warrants	874,130	1,194,488	3,230,988
Common shares placement costs	--	(165,647)	(2,052,296)
Contributed capital - cash	--	--	77,547
Dividends paid on preferred shares	--	--	(24,831)
Repurchase Common Shares	--	--	(202,722)
Net cash provided by (used in) financing activities	874,130	6,691,021	17,876,092
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,666,470)	4,902,312	5,145,164
CASH: AND CASH EQUIVALENTS:			
At beginning of period	7,811,634	2,443,121	--
At end of period	$ 5,145,164	$ 7,345,433	$ 5,145,164

(Continued)

BIOTIME, INC.
(A Development Stage Company)

CONDENSED STATEMENTS OF CASH FLOWS
(Unaudited)

	Nine Months Ended March 31, 1998	Nine Months Ended March 31, 1997	Period from Inception (November 30, 1990) to March 31, 1998
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	28,050	105,000	496,750

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 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 March 31, 1998, the statements of operations for the three and nine months ended March 31, 1998 and 1997 and the period from inception (November 30, 1990) to March 31, 1998, the statement of shareholders' equity for the nine month period ended March 31, 1998, and the statements of cash flows for the nine months ended March 31, 1998 and 1997 and the period from inception (November 30, 1990) to March 31, 1998 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 finanical position, results of operations, shareholders' equity and cash flows at March 31, 1998 and for all periods presented have been made. The balance sheet as of June 30, 1997 is derived from the Company's audited financial statements as of that date.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting priniciples 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 curent 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 June 30, 1997.

The preparation of the Company's financial statements in conformity with generally accepted accounting principles necessarily 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 balance sheet dates and the reported amounts of revenues and expenses for the periods presented. Actual amounts may differ from such estimates.

The results of operations for the periods ended March 31, 1998 and 1997 are not necessarily indicative of the operating results anticipated for the full year.

Certain Significant Risks and Uncertainties - 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 ("FDA") 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 any Company products that are ultimately sold; 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 not had any significant operating revenues and has incurred operating losses of $13,832,267 from inception to March 31, 1998. 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 sales adequate to support the Company's cost structure.

2. RECENTLY ISSUED ACCOUNTING STANDARDS

During June 1997, the Financial Accounting Standards Board issued Statements of Financial Accounting Standards No. 130, "Reporting Comprehensive Income"(SFAS 130), which requires that an enterprise report the change in its net assets from nonowner sources by major components and as a single total. The Board also issued Statements of Financial Accounting Standards No. 131, "Disclosures about Segments of an Enterprise and Related Information" (SFAS 181), which establishes annual and interim reporting standards for an enterprise's operating segments and related disclosures about its products, services, geographic areas, and major customers. Adoption of these statements will not impact the Company's consolidated financial position, results of operations or cash flows, and any effect will be limited to the form and content of its disclosures. Both statements are effective for the Company for the year ending June 30, 1999.

3. SHAREHOLDERS' EQUITY

In September 1996, the Company entered into an agreement with an individual to act as an advisor to the Company. In exchange for services, as defined, to be rendered by the advisor through September 1999, the Company issued warrants, with five year terms, to purchase 120,000 common shares at a price of $6.25 per share. Warrants for 75,000 common shares vested and became exercisable and transferable when issued; warrants for the remaining 45,000 common shares vest ratably through September 1997 and become exercisable and transferable as vesting occurs. The weighted-average grant-date fair value for the warrants is $1.50 per share. The estimated value of the services to be performed is $60,000 and that amount has been capitalized and is being amortized over the three year term of the agreement.

During September 1995, the Company entered into an agreement with a firm to act as its financial advisor. In exchange for financial consulting services associated in part with a plan to secure additional capital, the Company issued to the financial advisor warrants to purchase 304,168 Common Shares at a price of $1.97 per share, and the Company agreed to issue additional warrants to purchase up to an additional 608,336 Common Shares at a price equal to the greater of (a) 150% of the average market price of the Common Shares during the three months prior to issuance and (b) $2 per share (as adjusted for the Company's subscription rights distribution during January 1997 and payment of a stock dividend during October 1997). The additional warrants were issued in equal quarterly installments over a two year period, beginning October 15, 1995. The Company may terminate the financial advisory agreement on 30 days notice. The exercise price and number of Common Shares for which the warrants may be exercised are subject to adjustment to prevent dilution in the event of a stock split, combination, stock dividend, reclassification of shares, sale of assets, merger or similar transaction. As of June 30, 1997, the total number of warrants to purchase common shares issued was 825,000. The warrants are exercisable at the following prices: 456,252 at $1.97 per share; 76,042 at $2.41 per share; 76,042 at $9.88 per share; 76,042 at $9.64 per share; 76,042 at $10.73 per share; and 75,042 at $16.11 per share. As of July 15, 1997, warrants to purchase an additional 76,042 shares were issued and are exercisable at a price of $14.07 per share. The weighted-average grant-date fair value for the warrants is $1.10 per share. The total value of the services to be performed in exchange for the warrants, estimated to be $300,000, was capitalized in fiscal 1996 and was amortized over the two year term of the agreement. During April 1998, the Company entered into a new financial advisory services agreement, which provides for an initial payment of $90,000 followed by an advisory fee of $15,000 per month that will be paid quarterly. The agreement will expire on March 31, 2000, but either party may terminate the agreement earlier upon 30 days prior written notice.

The Board of Directors of the Company adopted the 1992 Stock Option Plan (the "Plan") in September 1992, which 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 nonstatutory 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. During the quarter ended

March 31, 1998, options to purchase a total of 5,000 common shares were issued to consultants at a price of $12.688 per share. The estimated fair value of the services totaled $17,750 and was recognized in the period. At March 31, 1998, 624,000 shares were available for future grants under the Option Plan; and options to purchase 541,500 shares have been granted and were outstanding at exercise prices ranging from $0.66 to $18.25.

In June 1994, the Board of Directors authorized management to repurchase up to 600,000 of the Company's common shares at market price at the time of purchase. As of March 31, 1998, 272,400 shares have been repurchased and retired. No shares have been repurchased since August 28, 1995.

4. LICENSE AGREEMENT

In April 1997, BioTime and Abbott Laboratories ("Abbott") entered into an Exclusive License Agreement (the "License Agreement") under which BioTime has 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 agreed to pay the Company up to $40,000,000 in license fees; of which $1,000,000 due upon signing of the License Agreement (the "signing payment"), and $400,000 due upon the achievement of a patent claims milestone (the "patent payment") have been received; an additional $1,100,000 will become payable in installments upon the achievement of specific milestones (the "milestone payments") pertaining to the filing and approval of a New Drug Application for Hextend and the commencement of sales of the product. 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 $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.

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.

Abbott's exclusive license also may terminate, without the payment of termination fees by the Company, if Abbott fails to market Hextend. Management believes that the probability of payments of any termination fee by the Company is remote.

As of March 31, 1998, the Company received $1,400,000 from Abbott under the License Agreement, and has deferred recognition of $562,500, related to the signing payment. The Company will recognize the remaining deferred revenue related to the signing payment over the estimated development period (two years). Further milestone payments will be recognized as achieved. Additional license fees and royalty payments will be recognized as the related sales are made and reported as earned to the Company by Abbott.

5. NET INCOME PER SHARE

During February 1997, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 128, "Earnings per Share" (SFAS 128). The Company adopted SFAS 128 in the second quarter of fiscal 1998 and restated earnings per share (EPS) data for prior periods to conform with current presentation.

SFAS 128 replaces current EPS reporting requirements and requires a dual presentation of basic and diluted EPS. Basic EPS excludes dilution and is computed by dividing net income (loss) by the weighted average number of common shares outstanding during the period. Diluted EPS reflects the potential dilution from securities and other contracts which are exercisable or convertible into common shares.

Diluted EPS is computed by dividing net income (loss) by the weighted average number of common shares that would have been outstanding during the period assuming the issuance of common shares for all dilutive potential common shares outstanding. As a result of operating losses, there is no difference between the basic and diluted calculations of EPS.

6. STOCK SPLIT

On October 30, 1997, the Company effected a three-for-one stock split by distributing to its shareholders of record on October 9, 1997 two additional shares for each share owned by them. All share and per share data have been restated to reflect the stock split for all periods presented herein.

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.

Date: May 15, 1998

/s/ Ronald S. Barkin

Ronald S. Barkin
President

Date: May 15, 1998

/s/ Victoria Bellport

Victoria Bellport
Chief Financial Officer