

NeoStem Expands Stem Cell Collection Center Network Into New Jersey Led by Leading Plastic Surgeon and Anti-Aging Authority

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NEW YORK, March 19 /PRNewswire-FirstCall/ -- NeoStem, Inc. (NYSE Alternext US: NBS), which is pioneering the pre-disease collection, processing and long-term storage of adult stem cells for future medical need, announced today it has signed an agreement with Dr. Vincent C. Giampapa, M.D., F.A.C.S. to open a new stem cell collection center at the Giampapa Institute for Anti-Aging Medical Therapy in Montclair, New Jersey. The agreement adds to NeoStem's national network of metropolitan stem cell collection centers, the most recent of which was in New York City. In February 2009, NeoStem announced it has licensed the exclusive worldwide rights to Dr. Giampapa's innovative stem cell technology and applications for cosmetic facial and body procedures and skin rejuvenation. Dr. Giampapa is a Board-certified plastic reconstructive surgeon and Assistant Clinical Professor of Plastic and Reconstructive Surgery at the University of Medicine and Dentistry of New Jersey. One of the first certified anti-aging medical physicians in the world, he is Director of the Plastic Surgery Center Internationale as well as The Giampapa Institute.

Dr. Giampapa is renowned for a non-surgical complete facial rejuvenation procedure that involves the use of adult stem cells. The procedure can be accomplished under local anesthesia in an office setting and requires only about a week of recovery time. He is also a founder of Suracell Inc. (www.suracell.com), which formulates for clients a personal genetic health program based on analysis of an individual's genetic profile. "We are currently performing Stem Cell Face Lifts and are looking forward to giving our patients the opportunity to have their stem cells collected today for multiple treatments in the future," said Dr. Giampapa.

NeoStem's collection centers utilize a minimally invasive proprietary system to enable health conscious consumers to donate and store their own stem cells when they are young and healthy, for personal use years or decades later in times of medical need. The Company's stem cell collection center model generates revenue for the Company through ongoing fees derived from stem cell collections and processing and fees charged to the centers for marketing and support. Long-term storage generates further revenue on a recurring basis.

Robin Smith, MD, CEO of NeoStem, said, "We are extremely pleased to have Dr. Giampapa's Institute join our network of collection centers. He is at the forefront of developing innovative stem cell therapies addressing anti-aging and regenerative medicine, an important arena for NeoStem. His prestige internationally as well as in the U.S. will draw clients from around the

world, especially China, through NeoStem's relationships there. We look forward to a fruitful partnership with him on many fronts."

About NeoStem, Inc.

NeoStem is developing a network of adult stem cell collection centers that are focused on enabling people to donate and store their own (autologous) stem cells when they are young and healthy for their personal use in times for future medical need. The Company has also entered into research and development through the acquisition of a worldwide exclusive license to technology to identify and isolate VSELs (very small embryonic-like stem cells), which have been shown to have several physical characteristics that are generally found in embryonic stem cells.

In November 2008, NeoStem signed a definitive agreement to merge China Biopharmaceuticals Holdings, Inc. (OTCBB: [CHBP](#) - [News](#)), a Chinese pharmaceutical company with and into the Company's wholly-owned subsidiary. CHBP holds a 51% interest in Suzhou Erye Pharmaceutical Co. Ltd. ("Erye"). For the nine months ended September 30, 2008 CHBP reported revenues of \$37 million representing an increase of 64% over the comparable prior period which was primarily attributable to Erye's performance. Erye currently manufactures over 100 drugs on seven GMP lines, including small molecule drugs. In business for more than 50 years, it is highly respected for its quality, service and reliability.

Also in November 2008, NeoStem agreed to acquire a Hong Kong corporation with a series of contracts in place with Shandong New Medicine Research Institute of Integrated Traditional and Western Medicine LLC ("Shandong"). Shandong is a provider of regenerative medical therapies in China and provides a multitude of treatments including cell regenerative therapies.

The closing of the CHBP and Shandong transactions are subject to shareholder approvals and other conditions set forth in the agreements. The acquisitions will add materially to NeoStem's existing business and intellectual property platform and open international access for the Company and its clientele to advanced stem cell technologies for a growing number of conditions.

For more information, please visit: www.neostem.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements reflect management's current expectations, as of the date of this press release, and involve certain risks and uncertainties. The Company's actual results, including the success of the Dr. Giampapa stem cell collection center, the successful closing of the CHBP and Shandong transaction and the realization of the potential strategic benefits of the transactions could differ materially from those anticipated in these forward-looking statements as a result of various factors. Factors that could cause future results to materially differ from the recent results or those projected in forward-looking statements include the "Risk Factors" described in the Company's periodic filings with

the Securities and Exchange Commission. The Company's further development is highly dependent on future medical and research developments and market acceptance, which is outside its control.

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