

NeoStem Obtains Exclusive License to Innovative Stem Cell Procedure Treating Musculoskeletal Diseases

On Monday May 11, 2009, 7:47 am EDT

License Strengthens NeoStem's Portfolio of Regenerative Treatments

NEW YORK, May 11, /PRNewswire-FirstCall/ -- NeoStem, Inc. (NYSE Amex: 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 exclusive royalty-bearing license agreement for the Asia territory to use an innovative process that rapidly grows a patient's own adult stem cells to treat a variety of musculoskeletal diseases.

The licensed procedure has been developed by Regenerative Sciences, LLC, a Colorado-based company focused on developing a medical procedure for the treatment of chronic orthopedic conditions. Known under the name Regenexx(TM), the innovative outpatient procedure takes stem cells from an individual's bone marrow, isolates mesenchymal stem cells (which can grow into bone, tendon, muscle, ligament and cartilage), cultures them in a solution containing unique elements from the individual's own blood, and generates millions of stem cells over two to three weeks. These cells are then re-injected into the person's joints or bones in an office procedure to assist in tissue healing and restoration of bone and cartilage. The Regenexx Procedure has helped many patients avoid more risky and costly surgical intervention.

Additionally, Regenerative Sciences, through its founder and CEO, Christopher Centeno, M.D., will serve as a consultant to NeoStem, Inc. in the area of stem cell therapy in orthopedics. Dr. Centeno is an international expert in musculoskeletal, spinal and neurological injury. Dr. Centeno will continue to assist NeoStem in using mesenchymal stem cell isolation and transplantation methods abroad in the lab and clinical setting. He will also train NeoStem personnel in Colorado in mesenchymal stem cell isolation, preparation and transplantation methods.

"We are very pleased to obtain the exclusive license in Asia to Regenerative Sciences' unique technology, and we're delighted to establish this relationship with Dr. Centeno," said Robin Smith, MD, CEO of NeoStem. "The minimally invasive Regenexx(TM) procedure complements NeoStem's established in-office stem cell collection procedures and expands our expertise into a new area. Restoring joints, bone, muscle and cartilage and combating orthopedic diseases complements our growth in the anti-aging and regenerative medicine arena. Recently, we announced acquisition of an exclusive worldwide license for innovative stem cell technology and applications for cosmetic facial and body procedures and skin rejuvenation. With Dr. Centeno's assistance we will be adding his stem cell expansion procedure for orthopedic regeneration to the services we are offering in Asia through prominent medical institutions with which we are partnering that we expect to come to market by the end of this year."

Dr. Centeno said, "I look forward to working with Dr. Smith and her team at NeoStem to bring Regenerative Sciences' important stem cell innovations to a worldwide audience of doctors and patients. I'm especially excited about NeoStem's relationships and its expanding presence in China."

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 recently entered into research and development through the acquisition of a worldwide exclusive license to technology to identify and isolate VSEs (very small embryonic-like stem cells), which have been shown to have several physical characteristics that are generally found in embryonic stem cells. The Company is also pursuing other technologies to advance its position in the field of stem cell tissue regeneration.

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

About Regenerative Sciences

Regenerative Sciences, under the direction of 15-year Physical Medicine & Rehabilitation veteran Dr. Christopher J. Centeno, first began performing the Regenexx(TM) joint and bone stem cell procedure in 2005. At the CentenoSchultz Clinic in Broomfield, Colorado, Dr. Christopher J. Centeno and Dr. John Schultz have helped hundreds of patients benefit from this innovative medical procedure, which maximizes the patients' own adult stem cells to help them to avoid hip, knee and shoulder surgery and lessen joint pain. Patients and physicians can learn more about Regenexx(TM) procedures at www.regenexx.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 Company successfully commercializing this technology in Asia or otherwise realizing strategic benefits from this new licensed technology, 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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