

### Fast Facts

Ticker (Exchange):	NBS (NYSE Amex)
Stock Price (07/02/10):	\$1.80
Market Cap:	\$102.0 million
Shares Outstanding (06/30/10):	56.7 million
52-Week Range:	\$1.26 - \$3.50
Avg. Daily Volume (3 mo):	445,402
Float:	28.2 million
Fiscal Year End:	December 31
Corporate Headquarters:	New York City

### Company Description

NeoStem, Inc. is an international biopharmaceutical company with product and service revenues, global research and development capabilities and operations in three distinct business units: (i) U.S. adult stem cells, (ii) China adult stem cells, and (iii) China pharmaceuticals.

These business units are expected to provide platforms for the accelerated development and commercialization of innovative technologies and products in both the U.S. and China.

### Investment Highlights

- **Advancing adult stem cell applications to revolutionize treatment paradigm** – Stem cell therapy demonstrates great potential to shift diagnosis and treatment of many common diseases and conditions, including neural, cardiac and ophthalmic disorders, as well as to stimulate bone regeneration and wound healing. NeoStem is working with thought leaders in the field to deploy an innovative group of stem cell technologies to develop treatment for a wide range of diseases, including ones not effectively addressed by existing standards of care. The Company is well positioned to recognize both near- and long-term revenue opportunities through stem cell therapeutics. Cutting edge VSEL™ technology represents the cornerstone of NeoStem's R&D efforts to advance adult stem cell treatments in two of the world's largest markets: the U.S. and China.
- **Accelerating stem cell commercial operations in China's progressive market** – Entry into the Chinese market gives NeoStem revenue-generating momentum. China's quicker clinical/regulatory pathway, greater familiarity with and acceptance of stem cell therapy, and growing medical tourism industry boost NeoStem's therapeutic development efforts. NeoStem's stem cell therapeutic procedures in orthopedics were launched in China in 1Q'10 and the first anti-aging/cosmetic treatment center was opened in Taiwan this summer. Through transfer of knowledge, technology, and clinical data from China, NeoStem aims to accelerate its U.S. R&D.
- **Generating revenues and expertise in adult stem cell banking** – As a pioneer in adult stem cell collection, NeoStem continues to expand its network of adult stem cell collection centers, which will build a recurring revenue stream for the Company.
- **Profitable and growing pharmaceutical business in an expanding market** – NeoStem's Suzhou Erye subsidiary is expanding with the goal of becoming one of the largest antibiotic producers in Eastern China. Erye's FY09 net income grew nearly 55% to \$13 million and corresponding revenue rose 22.6% to \$61 million (unaudited). With over 100 current drugs, 7 pipeline products (two approved and pending summer launch), a newly built facility and approximately 50% greater production capacity, Erye is well positioned in China's rapidly growing pharmaceutical market, which is estimated to reach \$78 billion by 2013, due in part to the country's \$124 billion healthcare reform to provide universal coverage.
- **Experienced leadership & advisory boards** – Dr. Robin Smith, CEO, leads a world-class management team and is guided by two separate advisory boards consisting of distinguished members from both the scientific and medical communities. M.D.s or Ph.D.s, with extensive scientific and clinical experience, make up over half of NeoStem's executive team and advisory boards. NeoStem's board of directors reflects an ideal mix of business, finance and operations experts in the U.S. and China.



### Selected Executives and Board Members

#### Key Executives

Robin Smith, MD – Chairman/CEO  
 Zhang Jian – GM, Suzhou Erye  
 Peter Sun, M.D. – GM/ NeoStem (China), Inc.  
 Larry May – VP and CFO  
 Catherine Vaczy, Esq – VP and General Counsel  
 Alan Harris, MD, PhD, FACP, FRCP – VP, Regenerative Medicine, Drug Dev & Regulatory Affairs  
 Anthony Salerno – VP, Strategic Development & Academic Affairs

#### Board of Directors

Robin Smith, MD – Chairman  
 Eric Wei – RimAsia Capital  
 MingSheng Shi – Chairman of Erye  
 Steven Myers (independent)  
 Drew Bernstein, CPA (independent)  
 Richard Berman (independent)  
 Edward Geehr, MD (independent)

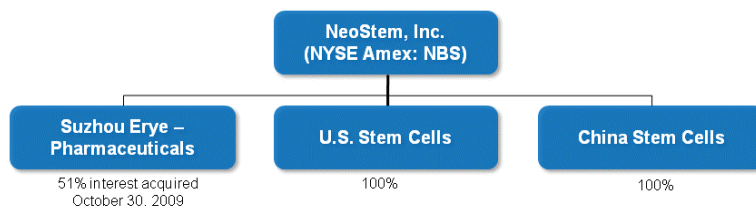
#### Advisory Board Members

Wayne Marasco, MD, PhD  
 Douglas W Losordo, MD  
 Vincent Falanga, MD  
 Ron Rothenberg, MD FACEP  
 Mariusz Ratajczak, MD, PhD  
 Vincent Giampapa, MD  
 George Smith, MD  
 Roberto Bolli, MD  
 Joseph D. Zuckerman, MD

## Overview of Business Platforms

NeoStem consists of three key business units:

- U.S. adult stem cells
- China adult stem cells
- China pharmaceuticals



### Adult Stem Cell Banking – A Pioneer in the Field

- Pioneered autologous (own) adult stem cell collection and storage services in the U.S., enabling healthy individuals to donate and store their stem cells for future personal therapeutic use (over 2,800 stem cell clinical trials are currently underway worldwide)
- Focused on expanding U.S. adult stem cell collection centers to a network of 10 locations by year-end 2010. NeoStem’s adult stem cell collection process uses a minimally-invasive procedure called “apheresis,” in which cells are extracted, separated and collected through a sterile, closed, disposable system. The ability to pre-donate and store autologous adult stem cells provides assurance of compatible stem cells for transplant or other medical needs in the future.

### Adult Stem Cell Therapy – Shifting the Paradigm of Treatment

- Stem cells have been used to treat various blood cancers for over 40 years and are now being explored as regenerative therapies.
- Accelerating stem cell therapy development in China, which offers a favorable clinical and regulatory environment, greater acceptance of non-traditional medical therapies and a cost-effective development path. Once successful in China, NeoStem intends to transfer its know-how and data to speed adult stem cell therapy development in the U.S.
- In-licensed broad array of innovative stem cell technologies, including an exclusive license to VSEL™ technology. Very small embryonic-like stem cells are based on a heterogeneous population of stem cells with properties similar to those of embryonic stem cells but without the controversy associated with embryonic stem cells.
- Vatican’s Pontifical Counsel has undertaken to commit \$1 million to joint ventures with NeoStem and its Stem for Life Foundation to expand research and raise awareness of adult stem cell therapies.
- NeoStem named “Best Stem Cell Company, 2010” in *The New Economy’s* Biotech Awards



### Generic pharmaceuticals – Profitable Venture in Growth Market



- Erye – 50-year old, vertically-integrated manufacturer of roughly 100 generic antibiotics and APIs for distribution in all of mainland China’s provinces and municipalities. Erye supplies seven of the top 20 antibiotics used by Chinese hospitals.
- Significant expansion of manufacturing capacity in anticipation of volume ramp as China’s \$124 billion healthcare reform is implemented. Product transfer to Erye’s new 12-building campus style facility is well underway and anticipated to be complete ahead of original 2011 goal.
- Chinese pharmaceuticals market is forecasted to triple in size to an estimated \$78 billion by 2013, partly due to the unprecedented healthcare reform to provide universal coverage. With over 60% of its drugs eligible for reimbursement under the insurance system, Erye is competitively positioned to capitalize on this new opportunity.

### For Further Information

#### NeoStem, Inc.

Robin Smith, M.D., Chairman & CEO  
420 Lexington Avenue, Suite 450  
New York, NY 10170  
Phone: +1 (212) 584-4180  
E-mail: rsmith@neostem.com

#### CCG Investor Relations

Kalle Ahl, CFA, Account Manager  
1325 Avenue of the Americas  
New York, NY 10019  
Phone: +1 (646) 833-3417  
E-mail: kalle.ahl@ccgir.com

Crocker Coulson, President  
1325 Avenue of the Americas  
New York, NY 10019  
Phone: +1 (646) 213-1915  
E-mail: crocker.coulson@ccgir.com

Forward-Looking Statements: Any statements set forth above that are not historical facts are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements reflect management’s current expectations and involve certain risks and uncertainties. Forward looking statements include statements herein with respect to the successful development and growth of the Company’s business in the U.S. and abroad, about which no assurances can be given. The Company’s actual results 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 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. This Fact Sheet of NeoStem was developed by the Company, is intended solely for informational purposes and is not to be construed as an offer to sell or the solicitation of an offer to buy the Company’s stock. This Fact Sheet is based upon information available to the public, as well as information from other sources which management believes to be reliable but is not guaranteed by NeoStem as being accurate nor does it purport to be complete. Opinions expressed herein are those of management as of the date of publication and are subject to change without notice.