

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(D) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): June 12, 2009

NEOSTEM, INC.

(Exact Name of Registrant as Specified in Charter)

Delaware  
(State or Other Jurisdiction of  
Incorporation)

0-10909  
(Commission  
File Number)

22-2343568  
(IRS Employer  
Identification No.)

420 Lexington Avenue, Suite 450, New York, New York 10170  
(Address of Principal Executive Offices)(Zip Code)

(212) 584-4180  
Registrant's Telephone Number

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 1.01. Entry into a Material Definitive Agreement.**

On June 12, 2009, NeoStem, Inc. (the "Company" or "NeoStem") and Enhance BioMedical Holdings Limited (the "Enhance BioMedical"), a Shanghai corporation and a subsidiary of Enhance Holding Corporation ("Enhance Holding"), entered into an agreement (the "Network Agreement") to develop a stem cell collection and treatment network (the "Network") in Shanghai, Taiwan and the Chinese provinces of Jiangsu, Zhejiang, Fujian, Anhui and Jiangxi using NeoStem's proprietary stem cell technologies. Enhance BioMedical has healthcare provider relationships with numerous hospitals and doctors in Taiwan and Shanghai, as well as in the five provinces in China to which the Network Agreement relates. Enhance BioMedical operates the Anti-Aging and Prevention Medical Center in Taipei, Taiwan, with facilities focused on stem cell research and development and anti-aging therapies. The Network Agreement shall have an initial term of ten (10) years and shall, subject to certain terms and conditions, be renewable for subsequent ten (10) year terms at the option of Enhance BioMedical. The Network Agreement provides for, among other things, (i) Enhance BioMedical will have the exclusive rights to utilize NeoStem's proprietary adult stem cell technologies identified by NeoStem from time to time to provide adult stem cell services and therapies in the territories defined in the Network Agreement; (ii) NeoStem shall provide training to Enhance BioMedical's staff in the proprietary knowledge, technology and operating procedures to provide Enhance clients with these services; (iii) the payment to NeoStem of a six figure technical assistance fee, which shall be payable in installments upon the achievement of certain milestones; (iv) the payment of stated royalty fees on gross revenues generated by Enhance BioMedical from providing the NeoStem stem cell services and (v) an option for NeoStem, subject to certain terms and conditions, to acquire up to a stated equity interest in Enhance BioMedical. In addition, NeoStem may be eligible to receive other fees in connection with assisting in the launching of the Network. Enhance Biomedical recently invested \$5 million in an \$11-million private placement financing consummated by the Company.

The description of the Network Agreement set forth herein does not purport to be complete and is qualified in its entirety by reference to the full text of the Network Agreement, a copy of which is expected to be filed as an exhibit to the Company's Quarterly Report on Form 10-Q for the period ending June 30, 2009.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

Exhibit 99.1 – Press release, dated June 15, 2009.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, NeoStem has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

**NEOSTEM, INC.**

By: /s/ Catherine M. Vaczy  
Name: Catherine M. Vaczy  
Title: Vice President and General Counsel

Date: June 16, 2009



## **NeoStem Signs Agreement with Shanghai Corporation to Develop A Stem Cell Collection and Treatment Network in Shanghai, Taiwan and Other Targeted China Provinces**

NEW YORK, June 15, 2009 -- 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 10-year agreement with Enhance BioMedical Holdings Limited, a Shanghai corporation, to develop a Stem Cell Collection and Treatment Network using NeoStem's proprietary adult stem cell technologies in Shanghai, Taiwan as well as the Chinese provinces of Jiangsu, Zhejiang, Fujian, Anhui and Jiangxi.

Enhance BioMedical Holdings is a subsidiary of Enhance Holding Corporation, a multinational conglomerate with successful businesses in various market sectors including healthcare. The conglomerate's CEO, Jackson Ling, recently invested \$5 million in an \$11-million private placement financing for NeoStem. Enhance BioMedical has healthcare provider relationships with numerous hospitals and doctors in Taiwan and Shanghai, as well as in the five provinces in China to which the Network Agreement relates. Enhance BioMedical operates the Anti-Aging and Prevention Medical Center in Taipei, Taiwan, with facilities focused on stem cell research and development and anti-aging therapies. It expects to open an additional healthcare center in Shanghai in the Spring of 2010, targeting high net worth individuals.

The Network Agreement expands NeoStem's China-related activities, which are focused on moving forward regenerative medical therapies and medical tourism for people seeking high-quality treatments not available in their own countries. Under the Network Agreement, Enhance BioMedical is given the exclusive rights to utilize NeoStem's proprietary adult stem cell technologies identified by NeoStem from time to time to provide adult stem cell services and therapies in the Asian territory. NeoStem will train Enhance BioMedical staff in the proprietary knowledge, technology and operating procedures to provide Enhance clients with these services. In return, NeoStem is entitled to a six figure technical assistance fee. NeoStem also will be entitled to a stated royalty on gross revenues generated by Enhance from providing the NeoStem stem cell services for the duration of the renewable 10 year Network Agreement and also may receive other fees in connection with assisting in the launching of the network.

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Robin Smith, M.D., MBA, NeoStem's Chief Executive Officer, said, "We are very pleased to form this alliance with Enhance Biomedical Holdings. It advances our strategy of collaboration with China-centered enterprises and will expand internationally our network of adult stem cell collection centers in key metropolitan areas in the United States. We believe our overall international strategy will create strong commercial, financial and scientific opportunities for NeoStem, enabling us to accelerate our stem cell therapy, research and development activities and create intellectual property positions in environments that are accepting of stem cell science and therapies while maintaining the rigorous standards adhered to in the United States for new technologies."

NeoStem's platform business provides the infrastructure, methods and systems that allow adults to have their stem cells safely collected and conveniently banked through safe, minimally invasive processes that can take place in a doctor's office, clinic, academic medical center or hospital that is part of a developing nationwide network of NeoStem Collection Centers.

Jackson Ling, CEO of Enhance Holding Corporation, said, "We are very excited to form this alliance with NeoStem, Inc. I have been greatly impressed with the forward thinking of this company's leadership and with the commercial potential for NeoStem technologies and services in Taiwan and China. China has a population of 1.3 billion people, and although the GDP is low, it still has more than 100 million wealthy people who care very much about their health. NeoStem's stem cell technologies fit our requirements for new leading-edge health centers focused on anti-aging and prevention. We passed the anti-aging program using stem cell treatment information on to our club members one month ago and already have 1,000 people on a wait list for such services. We are pleased to begin what we expect to be a long-term collaboration."

#### **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 of 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 and is pursuing other technologies to advance its position in the field of stem cell tissue regeneration.

For more information, please visit: [www.neostem.com](http://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 realization of the financial and other benefits from the establishment of the network agreement with respect to its adult stem cell technologies 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 Annual Report on Form 10-K for the fiscal year ended December 31, 2008 and the Company's other 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.*

#### **CONTACT:**

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