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Aastrom's U.S. Clinical Investigator to Report Interim Data on Long Bone Fracture Repair Trial

-- Additional Positive Patient Treatment Results Presented at the American Academy of Orthopaedic Surgeons Meeting --

ANN ARBOR, Mich., Feb 14, 2007 /PRNewswire-FirstCall via COMTEX News Network/ -- Aastrom Biosciences, Inc. (Nasdaq: ASTM), a company developing cell-based therapeutics for regenerative medicine, today announced that 90% of the patients who have completed the 12 months post-treatment follow-up in the Company's U.S. Phase I/II multi-center clinical trial evaluating the use of Tissue Repair Cells (TRCs) in the treatment of severe long bone fractures had multiple bone bridges, evidence of bone regeneration. Matthew L. Jimenez, M.D. of the Illinois Bone & Joint Institute, Morton Grove, IL, and a Principal Investigator of this clinical trial will present additional interim results from patients treated with Aastrom's TRCs today at the American Academy of Orthopaedic Surgeons (AAOS) annual meeting in San Diego, CA.

(Logo: http://www.newscom.com/cgi-bin/prnh/20070117/CLW099LOGO)

All 36 patients enrolled and treated in this trial had severe long bone non-union fractures that failed prior treatment interventions. The patients were treated with TRCs -- a mixture of stem and progenitor cells derived from the patient's bone marrow -- and will be followed for a total of 12 months. Dr. Jimenez will present interim clinical results from two groups of patients: 1) 20 who have reached the 12 months post-TRC treatment endpoint, and 2) 31 who have reached the 6 months observation endpoint post-TRC treatment.

To date, 20 of the 36 patients have completed the 12 months post-treatment follow-up period. Of these 20 patients 18, or 90%, have multiple bone bridges as observed in radiographs or computed tomography. These interim results are consistent with the results presented at the Annual Meeting of the American Society for Bone and Mineral Research in September 2006. At that time, 12 patients had completed the 12 months post-treatment follow-up period, and 83%, or 10 of the 12 patients, had multiple bone bridges. In addition, at the AAOS meeting, Dr. Jimenez will also report that early healing, or callus formation, was observed in 95%, or 19 of the 20 patients who have reached the 12 months follow-up period.

To date, 31 patients have completed the 6 months post-treatment follow-up period. Of these 31 patients 26, or 84%, have multiple bone bridges as observed in radiographs or computed tomography. Early healing, or callus formation, was observed in 97%, or 30 of these 31 patients. Post-surgical evaluations of the patients using standard clinical and radiographic evaluations of the healing fracture site will continue through the end of June 2007.

"I am extremely encouraged by the results we have seen to date suggesting TRCs enhance bone healing in atrophic non-union fractures," commented Dr. Jimenez. "This is an emerging therapy that appears safe and efficacious, and I look forward to further exploring bone regeneration with TRCs."

"One of the most important pieces of information we have derived from this study is that there were no serious TRC-related adverse events observed in any of the patients," stated Elmar R. Burchardt, M.D., Ph.D., Vice President, Medical Affairs of Aastrom. "The results we have seen clearly warrant further development of TRC-based therapeutics for regenerative medicine."

These patients all had fractures of their tibia, femur or humerus bones which had failed to heal after one to three (with an average of 1.75) prior standard of care bone grafting and surgical treatments. Previous failed treatment approaches include internal and external fixation to align and immobilize the fractured bone, autologous bone grafting and bone morphogenetic protein (BMP) supplementation. The TRC-treated patients, aged 19-79 years, underwent open reduction and internal fixation (ORIF) surgery in which TRCs were applied directly to the fracture site, together with an allograft bone matrix graft extender to promote local bone regeneration.

This multi-center trial treated patients at the following treatment centers: Lutheran General Hospital, Park Ridge, IL; the University of Michigan Health System, Ann Arbor, MI; William Beaumont Hospital, Royal Oak, MI; and Lutheran Medical Center, Brooklyn, NY.

About Aastrom Biosciences, Inc.

Aastrom Biosciences, Inc. develops autologous cell products for the repair or regeneration of multiple human tissues, based on its proprietary Tissue Repair Cell (TRC) technology. Aastrom's TRC-based products are a unique cell mixture containing stem

and progenitor cell populations, produced from a small amount of bone marrow taken from the patient. TRC-based products have been used in over 240 patients, and are currently in clinical trials for bone regeneration (osteonecrosis of the femoral head, long bone fractures and spine fusion) and vascular regeneration (critical limb ischemia) applications. Aastrom has reported positive interim clinical trial results for TRCs suggesting both the clinical safety and the ability of TRCs to promote healing in bone regeneration applications. The Company is also developing programs for TRC-based therapies to address cardiac and neural regeneration indications. TRCs have received Orphan Drug Designation from the FDA for use in the treatment of osteonecrosis of the femoral head and the treatment of dilated cardiomyopathy, a severe chronic disease of the heart.

For more information, visit Aastrom's website at www.aastrom.com. (astmc)

This document contains forward-looking statements, including without limitation, statements concerning the timing of planned clinical trials, clinical trial strategies, product development objectives, potential advantages of TRCs, and potential product applications, which involve certain risks and uncertainties. The forward-looking statements are also identified through use of the words "appears," and other words of similar meaning. Actual results may differ significantly from the expectations contained in the forward-looking statements. Among the factors that may result in differences are potential patient accrual difficulties, clinical trial results, potential product development difficulties, the effects of competitive therapies, regulatory approval requirements, the availability of financial and other resources and the allocation of resources among different potential uses. These and other significant factors are discussed in greater detail in Aastrom's Annual Report on Form 10-K and other filings with the Securities and Exchange Commission.

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