
UNITED STATES 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):

January 10, 2005

Aastrom Biosciences, Inc.

(Exact name of registrant as specified in its charter)

Michigan

(State or other jurisdiction of
incorporation)

0-22025

(Commission File No.)

94-3096597

(I.R.S. Employer Identification
No.)

24 Frank Lloyd Wright Drive

P.O. Box 376

Ann Arbor, Michigan 48106

(Address of principal executive offices)

Registrant's telephone number, including area code:

(734) 930-5555

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:

- 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))
-
-

TABLE OF CONTENTS

[Item 3.02 Unregistered Sales of Equity Securities.](#)

[Item 9.01 Financial Statement and Exhibits](#)

[SIGNATURES](#)

[EXHIBIT 99.1](#)

[Table of Contents](#)

Item 3.02 Unregistered Sales of Equity Securities.

Pursuant to the common stock purchase agreement of October 30, 2002 with Fusion Capital Fund II, LLC, on January 10, 2005 we sold a total of 4.8 million shares of common stock for a total of \$12.0 million. As part of this transaction, we issued an additional 1,940,700 commitment shares to Fusion under the terms of the common stock purchase agreement. These shares were sold to Fusion in a transaction exempt from the registration requirements of the Securities Act pursuant to Section 4(2) thereof, as they constituted a private placement transaction with a single accredited investor. This transaction completes the potential sales to Fusion under the common stock purchase agreement, and the resale by Fusion of the shares it has acquired will be pursuant to the S-3 registration statement filed with the SEC on October 15, 2003.

A copy of the Company's press release announcing this transaction is attached as Exhibit 99.1.

Item 9.01 Financial Statement and Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release of January 13, 2005

SIGNATURES

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

Date: January 13, 2005

AASTROM BIOSCIENCES, INC.

By: /s/ Alan M. Wright
Alan M. Wright
Senior Vice President, Administrative and Financial
Operations, CFO

[AASTROM LETTERHEAD]

FOR IMMEDIATE RELEASE

CONTACTS: Kris M. Maly or Becky Anderson Kevin McGrath
Investor Relations Department Cameron Associates
Aastrom Biosciences, Inc. Phone: (212) 245-4577
Phone: (734) 930-5777

AASTROM BIOSCIENCES CONCLUDES OCTOBER 2002 COMMON STOCK
AGREEMENT WITH FUSION CAPITAL

-- FINAL \$12 MILLION TRANCHE COMPLETED AT PREMIUM TO MARKET --

ANN ARBOR, MICHIGAN, JANUARY 13, 2005 -- Aastrom Biosciences, Inc. (NasdaqSC: ASTM) announced today that it concluded the sale of common stock with Fusion Capital Fund II, LLC, on January 10, 2005, pursuant to the common stock purchase agreement dated October 30, 2002. In this final tranche, Fusion bought 4.8 million shares of Aastrom's common stock for gross proceeds of \$12 million at an average price of \$2.50 per share, a premium to the closing price of \$2.38 per share. This completes the \$24 million common stock purchase agreement between Aastrom and Fusion.

Our issuance of these shares to Fusion was not registered under the Securities Act of 1933. The resale by Fusion of the shares it has acquired is covered by the S-3 registration statement filed with the SEC on October 15, 2003.

ABOUT AASTROM BIOSCIENCES, INC.

Aastrom Biosciences, Inc. (NasdaqSC: ASTM) is a regenerative medicine company developing treatments for the repair of damaged human tissues and other medical disorders, or the generation of normal human tissues, utilizing the Company's proprietary adult stem cell-based products. Aastrom's strategic position in the tissue regeneration and cell therapy sectors is enabled by its proprietary Tissue Repair Cells (TRCs), a mix of bone marrow stem and progenitor cells, and the AastromReplicell(R) System, an industry-unique automated cell production platform used to produce cells for clinical use. Together TRCs and the AastromReplicell System provide a foundation that the Company is leveraging to produce multiple Prescription Cell Products (PCPs), several of which are now in the clinical stage in the U.S. and EU. TRCs are the core component of the PCPs Aastrom is developing for bone grafting, peripheral vascular disease, jaw bone reconstruction and spine fusion markets. The Company has also developed the AastromReplicell System for dendritic cell production for researchers and institutions developing vaccines to treat cancer and infectious diseases, under its Cell Production Products line.

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

###