



Aastrom Biosciences Receives Patent Expanding Coverage for Its Single-Pass Perfusion Technology

-- Patent Extends Coverage from Stem Cell Population to Dendritic Cells --

Ann Arbor, Michigan, January 14, 2005 -- Aastrom Biosciences, Inc. (NasdaqSC: ASTM) announced today that it has received patent number 6,835,566 from the United States Patent and Trademark Office. The patent provides expanded coverage for the Company's single-pass perfusion technology to cover enhancing the biological functionality of human dendritic cells produced in cell culture. Dendritic cells are in clinical trials and experimental evaluations as vaccines for numerous forms of cancer and infectious diseases at various academic institutions and companies.

Aastrom is currently engaged in on-going clinical trial collaborations at Stanford University evaluating dendritic cells produced with this technology.

"This patent further expands Aastrom's coverage of our single-pass perfusion technology for growing human cells from bone marrow stem cells, to now include dendritic cells," said R. Douglas Armstrong, Ph.D., Chairman and Chief Executive Officer of Aastrom. "Our industry-unique technology continues to support Aastrom's position as a leader in the production of novel cell-based therapeutics."

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® 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.

This document contains forward-looking statements, including without limitation, statements regarding product development objectives, development plans, and potential applications of the AastromReplicell® System, which involve certain risks and uncertainties. The forward-looking statements are also identified through use of the words "plans," "intended," 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 the results obtained from research and development activities, regulatory approval requirements, and the availability of resources. 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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