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Osiris Selected by BARDA to Submit Proposal for the Use of Grafix® in Mass Casualty Thermal Burn Injuries

COLUMBIA, Md.--(BUSINESS WIRE)-- [Osiris Therapeutics, Inc.](#) (NASDAQ: OSIR) announced today that the company has been selected by the Biomedical Advanced Research and Development Authority (BARDA) to submit a full proposal for a Broad Agency Announcement (BAA) to fund advanced research and development of countermeasures, specifically in the area of mass casualty thermal burn injuries. The company's Biosurgery product, Grafix®, was the focus of a submission to BARDA in early March. BARDA carefully reviewed white papers it received in response to the BAA in order to select definitive care products acceptable for submission of a full proposal.

BARDA is seeking safe and effective medical products that can be used to treat a wide range of types of burn injuries, resulting from any cause, and importantly from any mass-casualty incident. Grafix is currently used at burn centers across the country to treat thermal burns of differing thicknesses in both pediatric and adult patients. To most effectively address the government's needs in mass casualty situations, Osiris' research-based proposal to BARDA will focus on additional clinical development and large scale manufacturing.

About BARDA

The Biomedical Advanced Research and Development Authority, within the Office of the Assistant Secretary for Preparedness and Response in the U.S. Department of Health and Human Services, provides an integrated, systematic approach to the development and purchase of the necessary vaccines, drugs, therapies, and diagnostic tools for public health medical emergencies.

About Grafix

Grafix is a three-dimensional cellular matrix designed for application directly to acute and chronic wounds, including diabetic foot ulcers and burns. Flexible, conforming and immune neutral, this cellular repair matrix provides a rich source of viable mesenchymal stem cells and growth factors directly to the site of the wound, while the matrix protects the area from inflammation, scarring, and infection. Grafix is manufactured using a unique proprietary process that preserves the matrix, cells and growth factors needed for successful healing.

About Osiris Therapeutics

Osiris Therapeutics, Inc. is the leading stem cell company, having developed the world's first approved stem cell drug, Prochymal®. The company is focused on developing and marketing products to treat medical conditions in inflammatory, cardiovascular, orthopedic and wound healing markets. In Biosurgery, Osiris currently markets Grafix for burns and chronic wounds, and Ovation® for orthopedic applications. Osiris is a fully integrated company with capabilities in research, development, manufacturing and distribution of stem cell products. Osiris has developed an extensive intellectual property portfolio to protect the company's technology, including 48 U.S. and 144 foreign patents.

Osiris, Prochymal, Grafix and Ovation are registered trademarks of Osiris Therapeutics, Inc. More information can be found on the company's website, www.Osiris.com. (OSIR-G)

Forward-Looking Statements

This press release contains forward-looking statements. Forward-looking statements include statements about our expectations, beliefs, plans, objectives, intentions, assumptions and other statements that are not historical facts. Words or phrases such as "anticipate," "believe," "continue," "ongoing," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project" or similar words or phrases, or the negatives of those words or phrases, may identify forward-looking statements, but the absence of these words does not necessarily mean that a statement is not forward-looking. Examples of forward-looking statements include, but are not limited to, statements regarding the following: our product development efforts; our clinical trials and anticipated regulatory requirements and the ability to successfully navigate these requirements; the success of our product candidates in development; status of the regulatory process for our biologic drug candidates; implementation of our corporate strategy; our financial performance; our product research and development activities and projected expenditures, including our anticipated timeline and clinical strategy for Prochymal, Chondrogen and our other MSC and biologic drug candidates; our

cash needs; patents and proprietary rights; the safety and ability of our potential products to treat disease and the results of our scientific research; our plans for sales and marketing; our plans regarding our facilities; types of regulatory frameworks we expect will be applicable to our potential products; and results of our scientific research. Forward-looking statements are subject to known and unknown risks and uncertainties and are based on potentially inaccurate assumptions that could cause actual results to differ materially from those expected or implied by the forward-looking statements. Our actual results could differ materially from those anticipated in forward-looking statements for many reasons, including the factors described in the section entitled "Risk Factors" in our Annual Report on Form 10-K and other Periodic Reports filed on Form 10-Q, with the United States Securities and Exchange Commission. Accordingly, you should not unduly rely on these forward-looking statements. We undertake no obligation to publicly revise any forward-looking statement to reflect circumstances or events after the date of this press release or to reflect the occurrence of unanticipated events.

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