

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 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): February 5, 2007

NEOSTEM, INC.

(Exact name of registrant as specified in its 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)

Registrant's telephone number, including area code: (212)-584-4814

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))

Item 3.02. Unregistered Sales of Equity Securities.

On February 5 and February 6, 2007, NeoStem, Inc. (the "Company") entered into Subscription Agreements (the "Subscription Agreements") with six accredited investors listed therein (the "Investors"). Pursuant to the Subscription Agreements, the Company issued to each Investor units (the "Units") comprised of two shares of its common stock, par value \$.001 per share (the "Common Stock"), one redeemable seven-year warrant to purchase one share of Common Stock at a purchase price of \$.80 per share and one non-redeemable seven-year warrant to purchase one share of Common Stock at a purchase price of \$.80 per share (together, the "Warrants"), at a per-Unit price of \$1.00. The Company issued an aggregate of 280,000 Units to Investors, for an aggregate purchase price of \$280,000 on February 5 and February 6, 2007. Combined with the prior closings of this private placement on January 26, 2007 and February 1, 2007, the Company sold an aggregate of 2,500,000 Units for an aggregate purchase price of \$2,500,000.

Pursuant to the Company's agreement with Emerging Growth Equities, Ltd., ("EGE"), the placement agent for the private placement, in connection with the February 5 and February 6, 2007 closings of the private placement, the Company paid to EGE a cash fee equal to \$11,200 and issued EGE warrants to purchase up to 11,200 Units. Combined with the prior closings of the private placement by EGE on January 26, 2007 and February 1, 2007, the Company paid to EGE aggregate cash fees equal to \$171,275 and issued to EGE aggregate warrants to purchase up to 171,275 Units.

Pursuant to the terms of the Subscription Agreements, the Company is required to prepare and file, no later than ten days after the filing of the Company's Annual Report on Form 10-K, a Registration Statement with the SEC to register the shares of Common Stock issued to Investors and the shares of Common Stock underlying the Warrants. On February 8, 2007 the Company filed this Registration Statement with the SEC.

The Investor's execution of the Subscription Agreements was conditioned upon entry by the Company's Board of Directors and executive officers into a lock-up agreement, pursuant to which such directors and officers will not, without the consent of EGE, sell or transfer their Common Stock until the earlier of: (a) six months following the effective date of the Registration Statement filed to register the shares underlying the Units, or (b) twelve months following the sale of the Units.

The sales of the above securities were exempt from registration pursuant to Section 4(2) of the Securities Act of 1933, as amended and/or Regulation D thereunder.

Item 8.01. Other Events.

On February 7, 2007, the Company issued a press release announcing the Company's completion of the private placement described in Item 3.02 above for \$2,500,000. A copy of the press release announcing the financing is attached as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

- Exhibit 10.1 Form of Subscription Agreement among NeoStem, Inc, Emerging Growth Equities, Ltd. and certain investors listed therein (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed February 1, 2007)
- Exhibit 10.2 Form of Redeemable Warrant to Purchase Shares of Common Stock of NeoStem, Inc. (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed February 1, 2007)
- Exhibit 10.3 Form of Non-Redeemable Warrant to Purchase Shares of Common Stock of NeoStem, Inc. (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, filed February 1, 2007)
- Exhibit 99.1 Press Release dated February 7, 2007

SIGNATURE

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.

NEOSTEM, INC.

By: /s/ Robin Smith

Robin Smith
Chief Executive Officer

Dated: February 12, 2007

EXHIBIT INDEX

Exhibit Number	Description
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Exhibit 99.1	Press Release dated February 7, 2007

CONTACTS

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FOR IMMEDIATE RELEASE

NEOSTEM COMPLETES \$2.5 MILLION FINANCING TO ADVANCE THE COMPANY'S GROWTH PLAN

NEW YORK, NY, Feb 7, 2007 - NeoStem, Inc. (OTCBB:NEOI), the only company specializing in the collection, processing and long-term storage of Adult Stem Cells (ASCs) for autologous use, announced today that it has completed a \$2.5 million private placement of common stock and warrants. Proceeds from the offering will be used to accelerate the Company's growth plan, including expansion of Adult Stem Cell Collection Centers and the NeoStem Physicians Network.

Emerging Growth Equities, Ltd. acted as the placement agent for this transaction.

NeoStem's CEO, Robin L. Smith, MD, MBA, stated, "We are extremely pleased to announce the closing of this financing. This infusion of capital will allow us to pursue opportunities that should drive our growth over the next several years. We are very excited to have the support of investors, such as well known venture capitalists John Pappajohn and Cliff Henry, who understand the potential for adult stem cell therapeutics that are emerging with the advances of regenerative medicine for heart disease, skeletal repair, skin wounds, burns, radiation exposure and autoimmune disorders such as lupus, multiple sclerosis and rheumatoid arthritis. By storing his or her own stem cells, a patient can create bio-insurance against future need while eliminating potential issues of tissue matching and rejection. NeoStem is the first commercial company to provide safe and convenient autologous stem cell processing and long-term storage for stem cells derived from adults."

During the remainder of 2007, NeoStem is moving to:

- o Expand its network of participating physicians;
- o Establish Adult Stem Cell Collection Centers throughout the continental United States;
- o Establish strategic relationships with leading pharmaceutical and biotechnology companies;
- o Partner with major academic institutions to enhance translational research;
- o Market its services to those educated in the value of stem cells;
- o Enhance the Company's distinguished Board of Directors and Scientific and Advisory Boards; and
- o Expand its patent portfolio in the identification, collection, mobilization and storage of autologous stem cells.

ABOUT NEOSTEM, INC.

NeoStem, Inc. (OTCBB:NEOI) is in the business of processing and long-term storage of stem cells safely extracted from adults for multiple uses by the individual in the future. NeoStem and its network of providers use a safe, minimally invasive procedure -- apheresis -- to collect the cells. Using its proprietary process, NeoStem provides the infrastructure, methods and systems that allow adults to have their stem cells safely collected and conveniently banked for multiple future therapeutic uses, as needed, in the treatment of such diseases as diabetes, heart disease, cancer and radiation sickness. Further potential uses for adult stem cells include regenerative therapies for wound healing, autoimmune diseases such as multiple sclerosis and lupus, and age-related degenerative musculoskeletal diseases. NeoStem's first processing and storage bank facility has been licensed by the State of California and is operating in Los Angeles.

Certain statements in this press release constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including statements concerning the ability of NeoStem, Inc. ("the Company") to develop the adult stem cell business, the future of regenerative medicine and the role of adult stem cells in that future, the future use of adult stem cells as a treatment option and the potential revenue growth of the Company's business. Such forward-looking statements involve known and unknown

risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements. The Company's ability to enter the adult stem cell arena and future operating results are dependent upon many factors, including but not limited to (i) the Company's ability to obtain sufficient capital or a strategic business arrangement to fund its expansion plans; (ii) the Company's ability to build the management and human resources and infrastructure necessary to support the growth of its business and obtain appropriate state licenses; (iii) competitive factors and developments beyond the Company's control; (iv) scientific and medical developments beyond the Company's control, including developments in the potential therapeutic use of adult stem and (v) other risk factors discussed in the Company's periodic filings with the Securities and Exchange Commission which are available for review at www.sec.gov under "Search for Company Filings."