



Osiris Named Biotechnology Company of the Year

Adult stem cell leader selected for Maryland's top spot from nearly 70 nominees

BALTIMORE, Maryland – May 3, 2007 – Osiris Therapeutics, Inc. (Nasdaq: OSIR) announced today that it has been awarded "Biotechnology Firm of the Year" by the Technology Council of Maryland. Over 900 business and government leaders were in attendance at the Council's 2007 Annual Tech Awards Celebration held on May 2, 2007. C. Randal Mills, Ph.D., President and CEO of Osiris, was in attendance to accept the award on behalf of the company.

The Technology Council of Maryland honors companies every year for their contributions to the advancement of technology through cutting-edge research and development, commercialization, a crisply executed growth strategy, and presence and leadership in Maryland. Osiris received the top biotech award for its recent achievements in advancing the development and commercialization of adult stem cell technology. Specifically, the company completed five clinical trials in 2006, reporting results for each. The success of these trials has led to the initiation of two Phase III trials for Crohn's Disease and Graft vs. Host Disease, both of which have been awarded FDA Fast Track status. Osiris also raised nearly \$130 million in 2005 and 2006, through a successful IPO and several private financing rounds led by the Company's Chairman, Peter Friedli.

"It is a tremendous honor for Osiris to receive this award given the competition that exists within a state that has become such a biotech powerhouse," said C. Randal Mills, Ph.D., President and CEO of Osiris Therapeutics. "Our progress is only possible with the efforts of our Board, our dedicated employees, and the many patients who participate in advancing the practice of medicine. To them I offer my sincere thanks for their contribution in making this achievement possible."

About Osiris Therapeutics

Osiris Therapeutics, Inc. is a leading stem cell therapeutic company focused on developing and marketing products to treat medical conditions in the inflammatory, orthopedic and cardiovascular areas. Osiris currently markets and sells OSTEOCEL[®] for regenerating bone in orthopedic indications. PROCHYMAL[™] is in Phase III clinical trials and is the only stem cell therapeutic currently designated by FDA as both an Orphan Drug and Fast Track product. The company's pipeline of internally developed biologic drug candidates under evaluation also includes CHONDROGEN[™] for regenerating cartilage in the knee, and PROVACEL[™], for repairing heart tissue following a heart attack. Osiris is a fully integrated company, having developed stem cell capabilities in research and development, manufacturing, marketing and distribution. Osiris has developed an extensive intellectual property portfolio to protect the company's technology in the United States and a number of foreign countries including 47 U.S. and 167 foreign patents owned or licensed. More information can be found on the company's website, www.Osiris.com. (OSIR-G)

Forward-Looking Statements

This press release may contain forward-looking statements. These forward-looking statements may generally be identified by the use of the words "may," "will," "expects," "anticipates," "believes," "estimates," and similar expressions, and involve a number of risks and uncertainties. For a variety of reasons, actual results may differ materially from those described in or contemplated by any such forward-looking statement. Consequently, the reader is cautioned to consider all forward-looking statements in light of the risks to which they are subject.

For additional information, please contact Erica Elchin at 443.545.1834.