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RESEARCH NOTE

Pluristem Therapeutics, Inc.

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Symbol (Nasdaq)	PSTI	Fiscal Year Ending: June	Year	EPS	P/E	REVS	PSR
Industry:	Healthcare, Biotechnology & Pharmaceutical	2006 A		\$-7.67	---	\$0.0	---
Recent Price:	\$4.25	2007 A		\$-5.84	---	\$0.0	---
52-week Price Range:	\$2.20-\$30.00	2008 E		\$-1.41	---	\$0.0	---
Target Price (12 Months):	\$6.50	2009 N/A		---	---	---	---
Avg. Daily Vol. (3 mo.):	9,524	2010 N/A		---	---	---	---

Balance Sheet Data (mil)	12/31/07	Ownership and Valuation (mil)	Current Rating History
Cash Equivalent:	\$3.9	Shares Outstanding:	6.75 Date Assigned: 1/22/2008
Working Capital:	\$4.3	Inside Ownership:	37.30% Price at Rating: \$2.69
Long-Term Liability:	\$0.2	Institutional Ownership:	N/A Initiating Price Target: ---
Shareholder's Equity:	\$5.3	Equity Market Value:	\$28.7 Time Frame: 12 Months

Notes on Quantitative Data

All EPS figures have been adjusted for the November 26, 2007 1-for-200 reverse split; the per share figures in years prior to fiscal 2007 are based on substantially fewer shares than currently outstanding

Rating: Speculative Buy

04/16/2008

Pluristem's PLX Cells Show Statistically Significant Advantage in a Multiple Sclerosis Animal Model; Reiterate Speculative Buy Rating

Pluristem Therapeutics Inc. announced on April 14, 2008 results from a pre-clinical study in another therapeutic area utilizing the Company's PLacental eXpanded (PLX) cells (mesenchymal stromal cells [MSCs] obtained from placenta and expanded using Pluristem's proprietary 3D PluriX™ technology). This latest study showed a statistically significant advantage in ameliorating functional deficiencies in a standard Multiple Sclerosis (MS) mouse model.

Researchers at Pluristem utilized the Experimental Autoimmune Encephalitis (EAE) animal model for the study, the paradigm for MS (also known as encephalomyelitis disseminate) in humans. After EAE was induced, one group of animals was given PLX cells intravenously while the other served as a control. The Company reported a statistically significant reduction in the EAE score in the group given PLX cells versus the control group, which was observed throughout the 25-day duration of the study. EAE score is a measurement of functional outcomes in the EAE-afflicted animal and correlates closely with a histological improvement in EAE-induced lesions. The results of this study are in line with results from a similar study conducted independently in Italy using MSCs that were non-placental in origin in the EAE animal model. The authors of the Italian study concluded that the "immunoregulatory properties of MSCs effectively interfere with the autoimmune attack in the course of EAE."

The World Health Organization (WHO) estimates that over 2.5 million people globally suffer from MS, which Pluristem believes represents a current market of approximately \$5.4 billion for disease-modifying agents to treat the disorder. We believe that the results from this pre-clinical study in MS in conjunction with results from pre-clinical studies in critical limb ischemia, ischemic stroke, and bone marrow transplant further strengthen our rating of the shares as a Speculative Buy with a 12-month price target of \$6.50, as published on April 15, 2008 in our Update Report.

Current Dutton Associates disclaimer and 17b disclosure information regarding Pluristem Therapeutics, Inc.

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