Cells for Therapy and Research

January 13, 2015

International Stem Cell Corporation
5950 Priestly Drive
Carlsbad CA 92008

OTCQB ISCO
www.internationalstemcell.com
1-760-940-6383

Forward Looking Statement

This presentation includes certain statements, estimates and projections with respect to the anticipated future business and performance of the Company, which are collectively referred to as forward-looking statements.

Forward-looking statements reflect various assumptions of management that may or may not prove to be correct, and are intended solely to convey our expectations or predictions about the future performance of the Company.

All forward-looking statements are inherently uncertain as they are based on our current expectations and assumptions concerning the future performance of our Company. This is not an offer to sell nor a solicitation to buy any security.

Cells for Therapy and Research

Powerful stem cell platform

Proprietary

Scalable

Robust pre-clinical pipeline addressing large unmet medical needs

Neural stem cells
Parkinson's disease
Stroke

Liver cells
Crigler-Najjar syndrome
α_1-antitrypsin difficiency

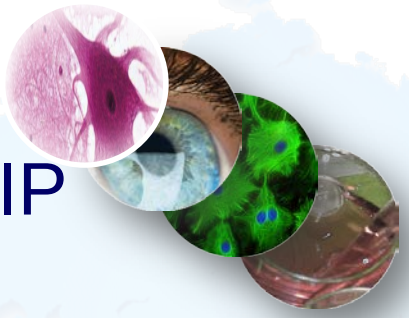
Cornea & Retina cells
Corneal blindness
Age-related Macular Degeneration

Commercially successful human cell manufacturing subsidiary

$6 MM revenue
Primary cells & media
Dermatology products

Three Businesses in One

INTERNATIONAL STEM CELL CORPORATION



Core stem cell technology and IP
Therapeutic Research
Development Pipeline

$6.2 million revenue (2013)

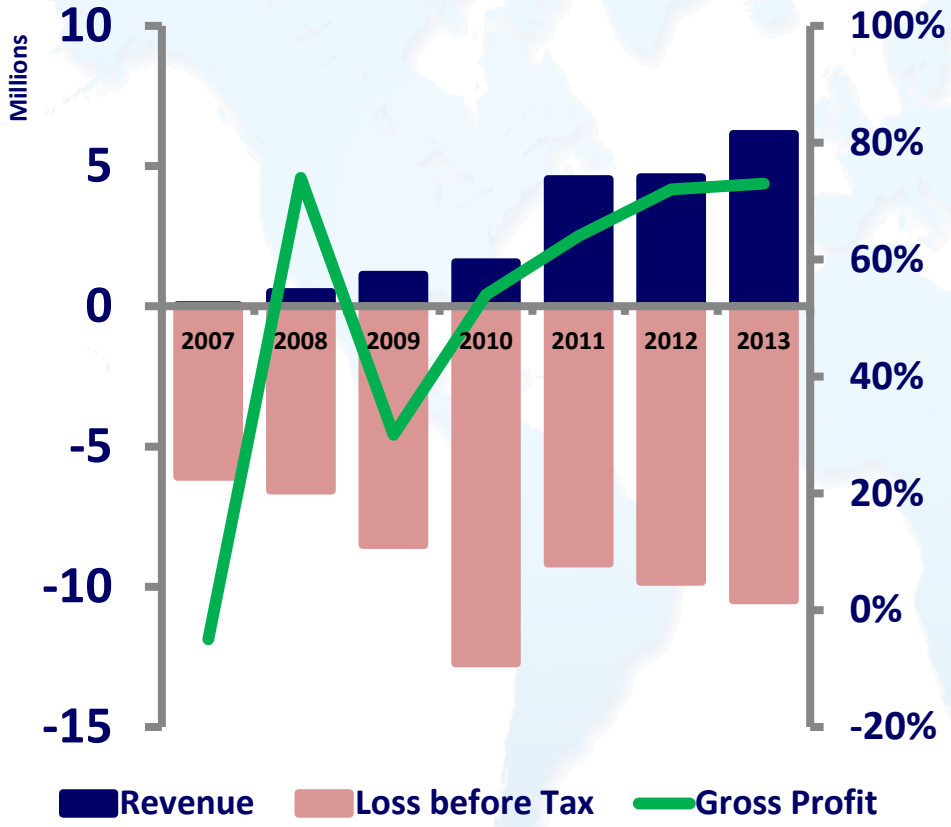
LIFELINE®
STEM CELL SCIENCE FOR SKIN™

Branded skin care products
Proprietary stem cell skin care technology

LIFELINE CELL TECHNOLOGY

Biomedical research products
Primary human cells & optimized cell culture media

Company Profile



Trading symbol	**OTCQB ISCO**
Headquarters	**Carlsbad, CA**
Stock price	**$0.07**
52 week range	**$0.06 - $0.28**
Market cap.	**$15.1 million**
Ave. vol. (90 day)	**918,292**
Long-term debt	**$0**
Full time employees	**38**

*As of 7/31/14 or last 10-Q unless otherwise states

Pluripotent Human Stem Cells

Human parthenogenesis (unfertilized oocytes)

	PSC	ESC	iPS	Adult
Potential to immune match	Yes	Impractical each line is unique	Individual only	Individual only
Fully proliferative/ Economic source	Strong	Strong	Varies	Weak
Genes manipulated/ Use of viruses	No	No	Yes	No
Genetic diseases/ Carries defective gene	Superior	Superior	Carries damaged gene	Carries damaged gene

INTERNATIONAL STEM CELL CORPORATION

Intellectual Property

Freedom to operate in major jurisdictions
Potential competitive advantages in EU

220 patents, applications and licenses

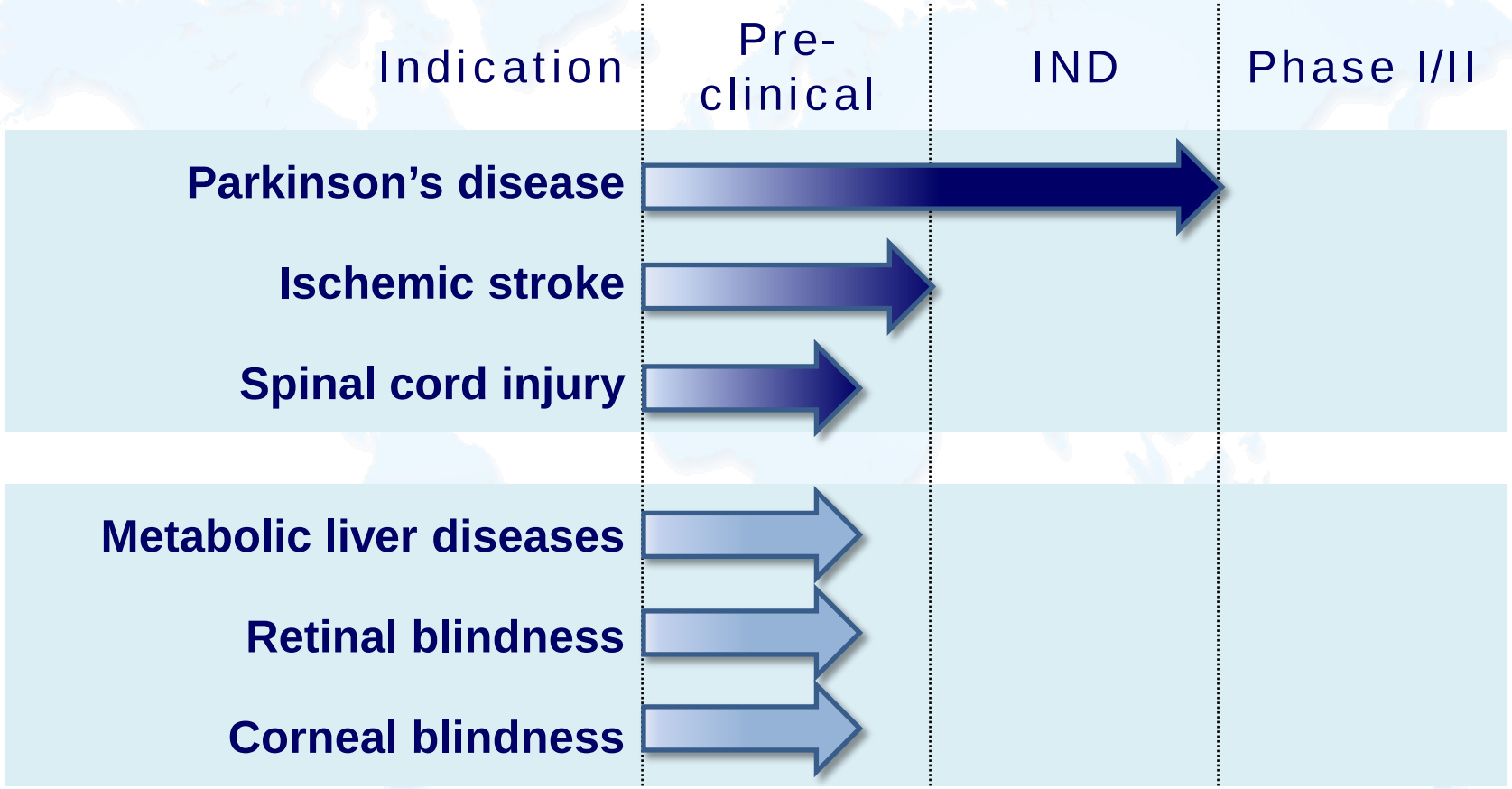
- Pluripotent cell development
- Cell banking
- Manufacturing methods
- Cell differentiation
- Treating diseases

Numerous publications

- Nature's Scientific Reports
- Cell Stem Cell

Broad Pipeline of Targets

Clinical success unlocks significant value

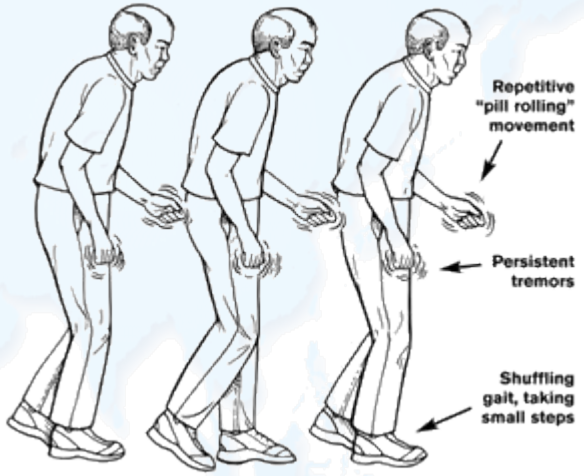


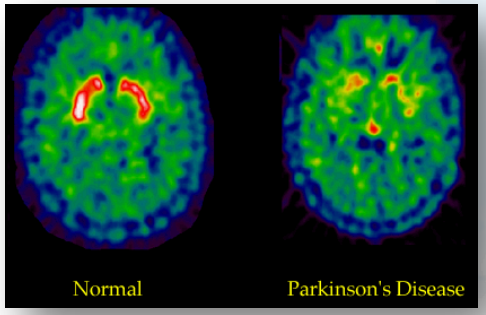
Partner for late-stage clinical development

Parkinson's Disease

2 Neurodegenerative disease
Limited treatment options (symptomatic only)

- About 1 million people in US have PD
- Direct and indirect costs ~$25 billion
- Rarely diagnosed prior to 50 years of age
- Hallmark motor symptoms
  - Bradykinesia (slow movement)
  - Rigidity
  - Tremor





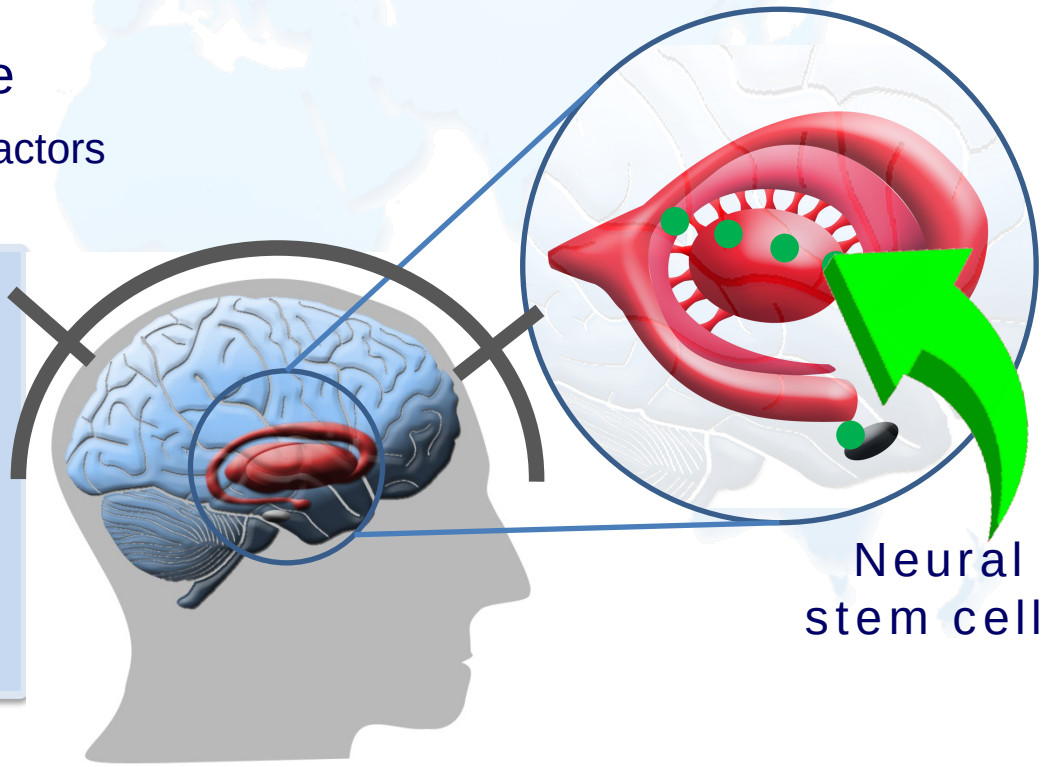
- Motor symptoms arise as a consequence of the degeneration of dopamine neurons in SNPC
- Greater than 50-70% of SNPC neurons degenerate prior to the appearance of overt symptoms

New Treatment Paradigm

One-time MRI-guided injection of NSC

- Disease modifying
- Rebuild nigro-striatal pathway
  - Migrates and innervate
  - Produce DA neurons
- Prevent further damage
  - Express neuro-protective factors

Standard neurosurgical procedure



Previous human trials using fetal tissue with over 400 patients showed:

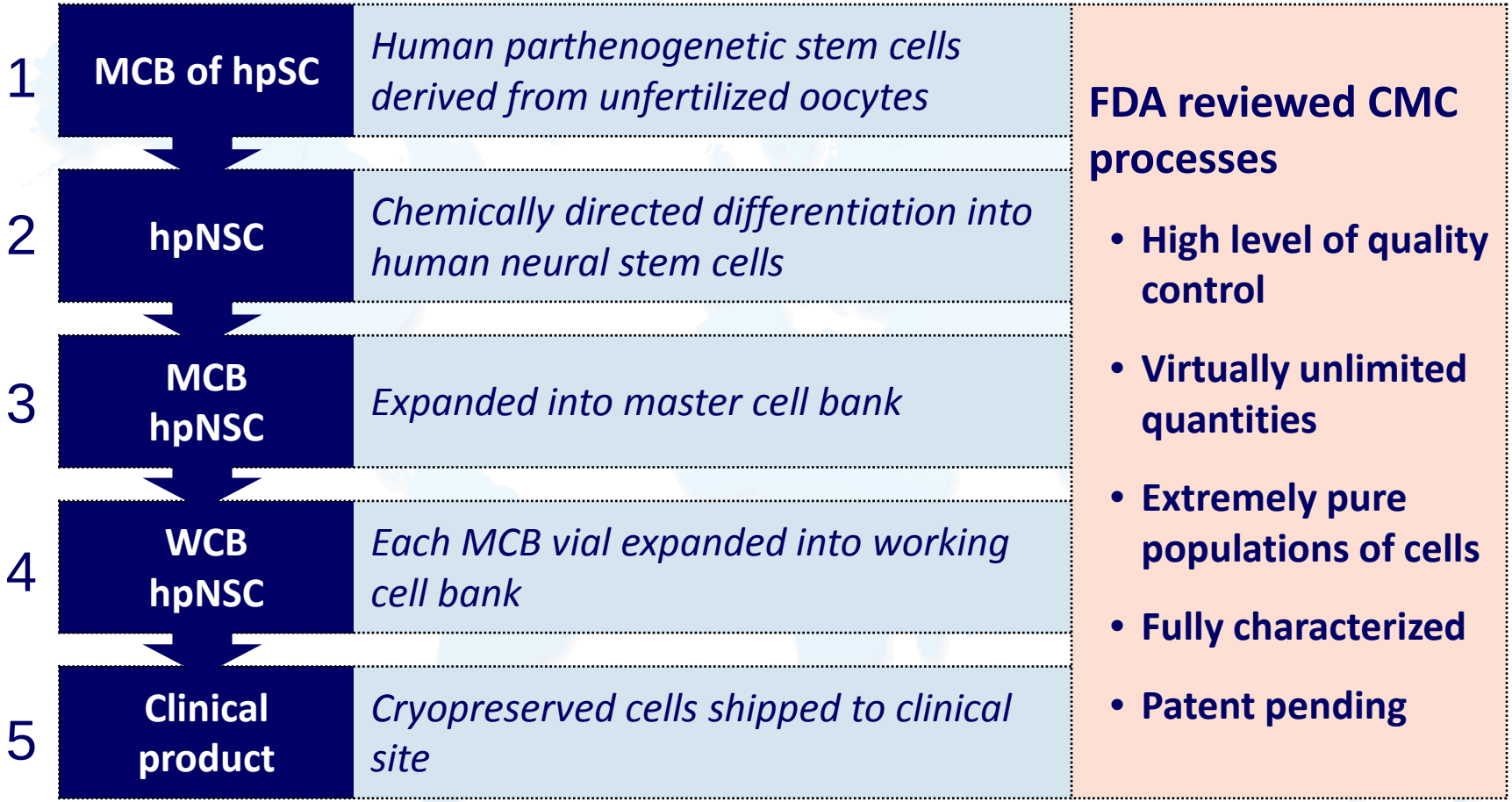
- Generally good safety and efficacy
- Cells persist > 10 years

Lack of donors

Ethically controversial

Graft induced dyskinesias

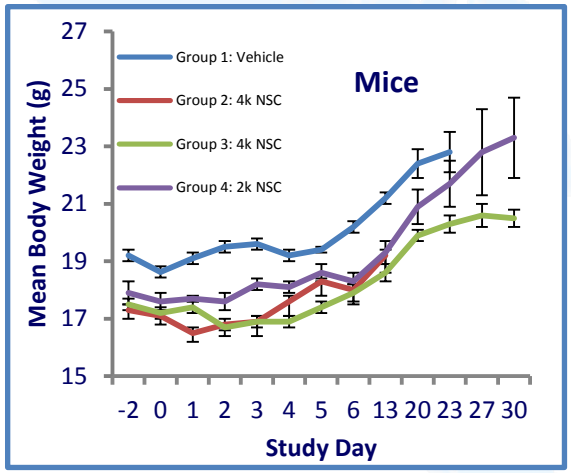
cGMP Manufacturing Process

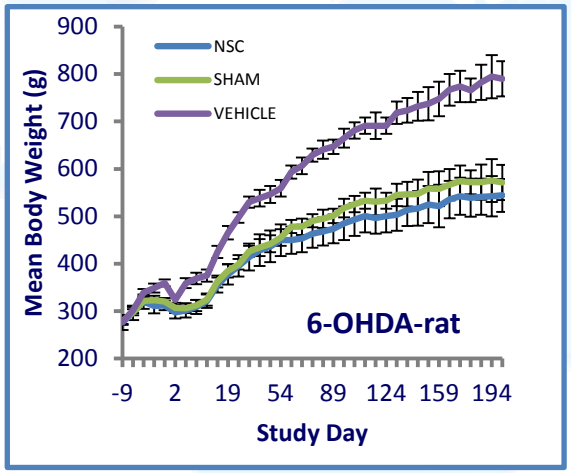


Cell manufacturing strategic asset

Good Pre-Clinical Safety Profile

Body weights remains within normal ranges



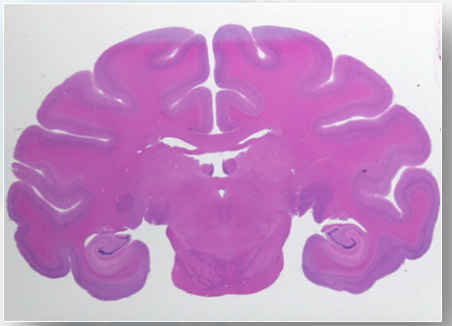


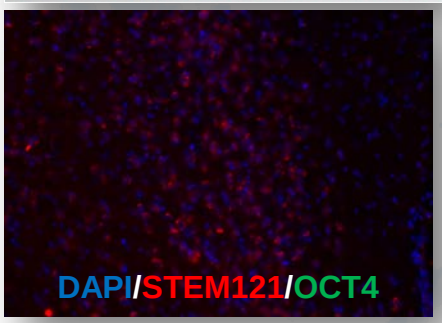
No visible tumors or pluripotent cells

Necropsies showed organs to be normal

Biodistribution indicates no human cells in peripheral organs

Coronal section of the monkey brain stained with hematoxylin and eosin showing a normal morphology without the presence of ectopic tissue

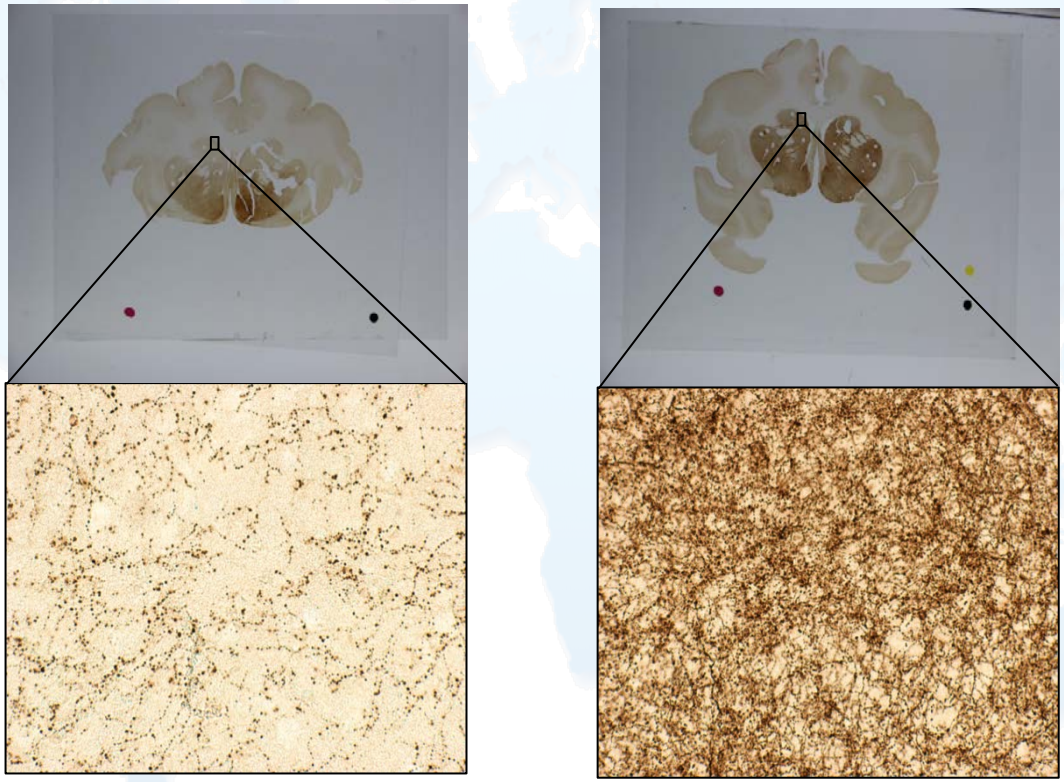




Implantation site stained for human specific antibody STEM121 (in red) and OCT4 (in green), a marker of undifferentiated pluripotent stem cells. OCT4 is completely absent in the graft site.

Transplanted Cells Integrate

Dopamine Fiber Innervation

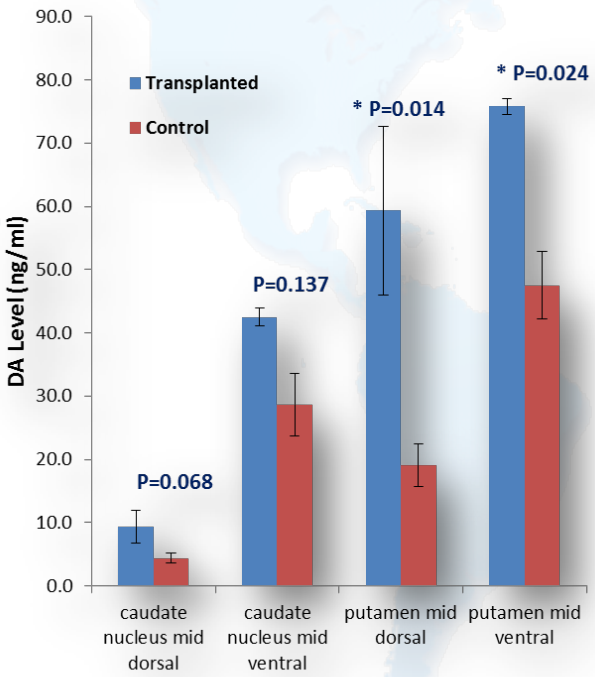


Control **Treatment**

Non-Human Primates (6 Month)

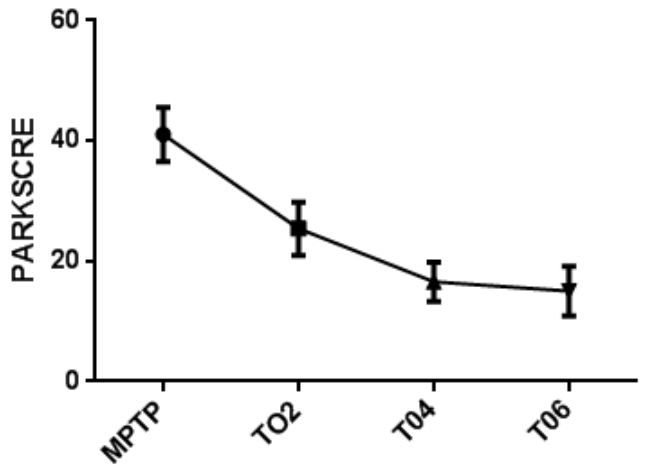
Functional Activity Established

Elevated DA levels
3 Month study



(n=6, asymptomatic)

Return of normal behaviors
(12 Month Study)

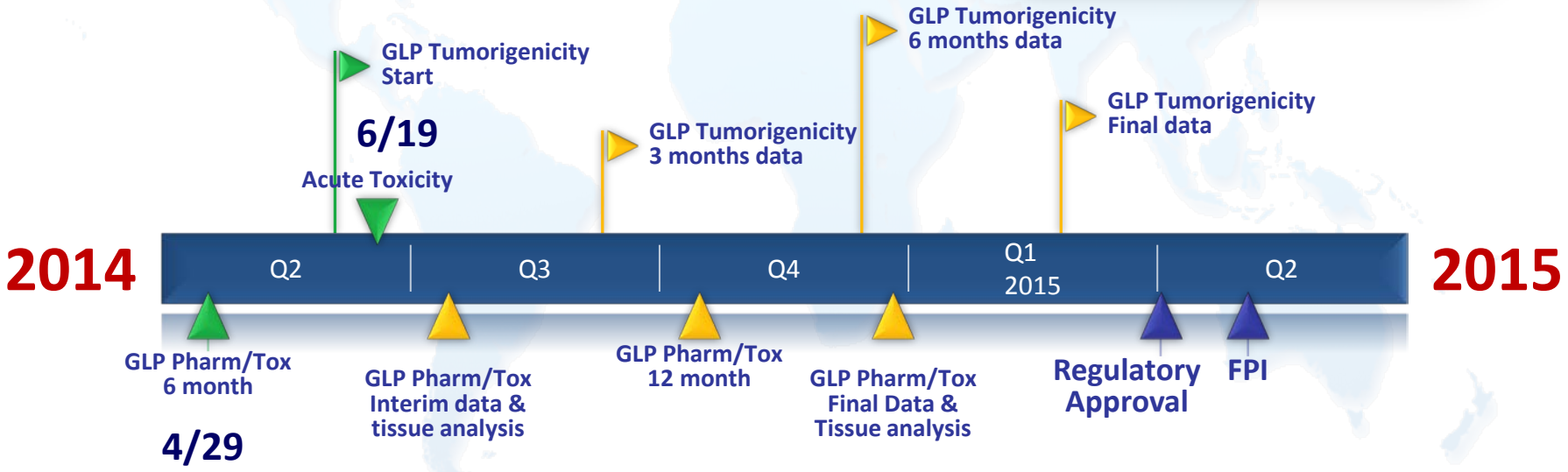


(n=18, severely symptomatic)

*Prof. Gene Redmond, Yale School of Medicine

Parkinson's Disease Milestones

- ✓ Manufacturing optimized
- ✓ Primate proof of concept
- ✓ GLP Pre-clinical safety



Phase 1 Clinical Trial Design

12 month single arm dose escalating study

- Doses based on primate data
- 12 subjects with idiopathic Parkinson's disease
- UPDRS < 49 in off-phase
- Stable on medications

Primary endpoints

- Safety
  - No worsening of symptoms
  - Brain lesions (MRI)
- Efficacy
  - Improvement in off-phase UPDRS score

Expected mid-2015

Strategic Partners

Rohto Pharmaceutical Company Inc.

Duke University

Parkinson's clinical program

Prof. Stacy MD, Vice Dean of Clinical Research

- World-renowned movement disorder expert

Academic

Dr. Evan Y. Snyder, MD PhD, Sanford-Burnham

Dr. D. Eugene Redmond Jr. MD - Yale

Dr. Jeanne Loring, PhD - Scripps

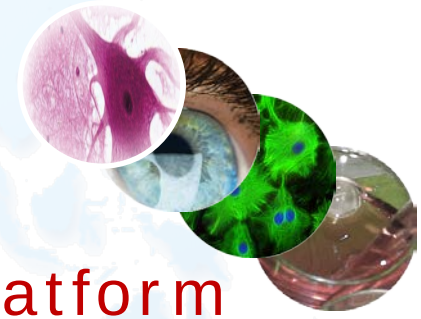
ISCO Growth Opportunities

Regenerative Medicine Biotech

- $6.2 million (2013) revenues

Pipeline addressing large unmet medical needs

- Pre-clinically validated targets
- Upcoming catalysts



Broadly applicable platform

- Almost inexhaustible source
- Good IP, distinct advantages in EU

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