

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 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): May 25, 2011

INTERNATIONAL STEM CELL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
**(State or other jurisdiction
of incorporation)**

000-51891
**(Commission
File Number)**

20-4494098
**(IRS Employer
Identification Number)**

5950 Priestly Drive, Carlsbad, CA 92008
(Address of principal executive offices, including zip code)

(760) 940-6383
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

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:

- ☐ 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 2.02 Results of Operations and Financial Condition.

On May 25, 2011, International Stem Cell Corporation (the “Company”) issued a press release to report certain of its financial results for the first quarter ended March 31, 2011. The press release is attached as Exhibit 99.1, which is furnished under Item 2.02 of this report and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit</u>	<u>Title</u>
99.1	Press release dated May 25, 2011

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.

International Stem Cell Corporation

By: /s/ Ray Wood
Ray Wood
Chief Financial Officer

Dated: May 25, 2011

**International Stem Cell Corporation Reports First Quarter Revenue of \$1.5 Million on
Strong Initial Sales of Skin Care Products and Strong Growth of Research Product Sales**

CARLSBAD, Calif. (May 25, 2011) – International Stem Cell Corporation (OTC/BB: ISCO) (ISCO) announces that revenue in the first quarter of 2011 was \$1.5 million, compared with revenue of \$273,000 in the first quarter of 2010. The increase was primarily due to \$1.1 million in sales of Lifeline Skin Care products achieved in the pilot direct-to-consumer launch. Adding to the revenue growth was a 35% increase over the prior year in sales of human cell culture research products from subsidiary Lifeline Cell Technology.

ISCO also disclosed that it is delaying the filing of its Report on Form 10-Q for the period ending March 31, 2011 in order to resolve an accounting question as described below.

Shortly before the scheduled date for filing the 10-Q, ISCO identified an issue related to whether a technical interpretation of certain accounting guidance found in FASB ASC Topic 815, *Derivatives and Hedging* could require a change in the manner ISCO has historically accounted for the value of warrants originally issued as compensation to brokers working for the placement agent in the Company's 2007 initial public offering.

The accounting question is highly technical in nature and would have no impact on cash or revenues, but relates solely to the non-cash accounting for warrants issued several years ago. Rather than publish information that might be subject to further revision, ISCO has elected to delay the filing of its 10-Q until a decision can be made as to whether or not adjustments will need to be made and, if so, exactly what the accounting entries will be. The Company is committed to resolving this question as promptly as possible and will disclose the conclusion in the 10-Q.

About International Stem Cell Corporation

International Stem Cell Corporation is focused on the therapeutic applications of human parthenogenetic stem cells and the development and commercialization of cell-based research and cosmetic products. ISCO's core technology, parthenogenesis, results in the creation of pluripotent human stem cells from unfertilized oocytes (eggs). hpSCs avoid ethical issues associated with the use or destruction of viable human embryos. ISCO scientists have created the first parthenogenic, homozygous stem cell line that can be a source of therapeutic cells with minimal immune rejection after transplantation into hundreds of millions of individuals of differing genders, ages and racial background. This offers the potential to create the first true stem cell bank, UniStemCell™. ISCO also produces and markets specialized cells and growth media for therapeutic research worldwide through its subsidiary Lifeline Cell Technology, and cell-based skin care products through its subsidiary Lifeline Skin Care. More information is available at www.internationalstemcell.com.

To subscribe to receive ongoing corporate communications, please click on the following link: <http://www.b2i.us/irpass.asp?BzID=1468&to=ea&s=0>.

Forward-looking Statements

Statements pertaining to anticipated developments, anticipated resolution of the accounting question, and opportunities for the company and its subsidiaries, along with other statements about the future expectations, beliefs, goals, plans, or prospects expressed by management constitute forward-looking statements. Any statements that are not historical fact (including, but not limited to statements that contain words such as "will," "believes," "plans," "anticipates," "expects," "estimates,") should also be considered to be forward-looking statements. Forward-looking statements involve risks and uncertainties, including, without limitation, risks inherent in the development and/or commercialization of potential products, the application of accounting guidance, regulatory approvals, need and ability to obtain future capital, application of capital resources among competing uses, and maintenance of intellectual property rights. Actual results may differ materially from the results anticipated in these forward-looking statements and as such should be evaluated together with the many uncertainties that affect the company's business, particularly those mentioned in the cautionary statements found in the company's Securities and Exchange Commission filings. The company disclaims any intent or obligation to update forward-looking statements.

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