

OSIRIS THERAPEUTICS, INC.
 Form 4
 December 20, 2007

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 FRIEDLI PETER

2. Issuer Name and Ticker or Trading Symbol
 OSIRIS THERAPEUTICS, INC.
 [OSIR]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
 12/19/2007

Director 10% Owner
 Officer (give title below) Other (specify below)
 Chairman

C/O OSIRIS THERAPEUTICS, INC., 7015 ALBERT EINSTEIN DRIVE

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

COLUMBIA, MD 21046

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock	12/19/2007		P	(A) 100,000 (1)	\$ 12.37	D	
Common Stock	12/19/2007		P	(A) 662,746 (2)	\$ 13	D	
Common Stock					4,969,245	I	See Footnote (3)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Security (Instr. 3 and 4)
						Date Exercisable	Expiration Date	
Promissory Note	\$ 13	12/19/2007		M	472,222	02/10/2007	04/30/2009	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
FRIEDLI PETER C/O OSIRIS THERAPEUTICS, INC. 7015 ALBERT EINSTEIN DRIVE COLUMBIA, MD 21046	X	X		Chairman

Signatures

Peter Friedli 12/20/2007

**Signature of
Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Shares acquired in a private placement under Regulation S of the Securities Act of 1933. The securities have not been registered under the United States Securities Act of 1933, as amended, or any state securities laws. Pursuant to the terms of the placement, the holders are provided demand registration rights for the purchased shares.
- (2) Represents the conversion of Convertible Promissory Notes dated October 30, 2006 of the issuer in the original principal amount of \$8,500,000, together with accrued interest since October 31, 2007, at the conversion price of \$13.00 per share.
- (3) The Reporting Person holds indirect beneficial ownership of 625 shares held by the Reporting Person's mother; 3,963,620 shares held by Venturetec, Inc.; 1,000,000 shares held by US Venture 05, Inc.; and 5,000 shares held by Joyce Ltd. The Reporting Persons holds approximately a 3% interest in Venturetec, Inc. and serves as its president; and holds 100% interest in and controls Joyce Ltd. The Reporting Person disclaims beneficial interest of the shares held by his mother and disclaims beneficial ownership of the shares held by Venturetec, Inc. and US Venture 05, Inc. beyond the extent of his pecuniary interest therein.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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