

ATHERSYS, INC / NEW  
 Form 4  
 May 21, 2008

**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 \*  
**ORBIMED ADVISORS LLC**

2. Issuer Name and Ticker or Trading Symbol  
**ATHERSYS, INC / NEW [ATHX]**

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

(Last) (First) (Middle)  
**767 3RD AVENUE, 30TH FLOOR**  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
**05/21/2008**

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

**NEW YORK, NY 10017**  
 (City) (State) (Zip)

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

**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 Ownership (Instr. 4)
Common Stock	05/21/2008		P	V 130,000 A \$ 2.4	3,180,000	I	See Footnotes (1) (2) (3)

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

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SEC 1474 (9-02)

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

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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 Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Director's Stock Option (right to buy)	\$ 5	06/08/2007		A	75,000	(4) 06/08/2017	06/08/2017	Common Stock	75,000
Warrant (right to buy)	\$ 6	06/08/2007		P	750,000	06/08/2007	06/08/2012	Common Stock	750,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ORBIMED ADVISORS LLC 767 3RD AVENUE 30TH FLOOR NEW YORK, NY 10017	X	X		
ISALY SAMUEL D 767 THIRD AVENUE 30TH FLOOR NEW YORK, NY 10017	X	X		

## Signatures

/s/ Samuel D. 05/21/2008  
Isaly

\*\*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).

- As of May 21, 2008, the Reporting Persons hold 3,180,000 shares of Common Stock, on behalf of other persons who have the right to receive or the power to direct the receipt of dividends or proceeds from the sale of such securities. Of this amount, Caduceus Private Investments III, LP ("Caduceus") and OrbiMed Associates III, LP ("Associates"), hold 3,149,698 and 30,302 shares, respectively.
- (1) OrbiMed Advisors LLC ("Advisors"), pursuant to its authority under its investment advisory contract with Associates, may be considered to hold indirectly 30,302 shares of Common Stock and OrbiMed Capital GP III LLC ("Capital"), pursuant to its authority as general partner of Caduceus, may be considered to hold indirectly 3,149,698 shares of Common Stock.
  - (2) Advisors is a registered adviser under the Investment Advisers Act of 1940, as amended, that acts as an investment adviser to certain collective investment funds which hold shares of the Issuer. Samuel D. Isaly, a natural person, owns controlling interests in Advisors and

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Capital. Advisors acts as investment adviser to Associates. Capital acts as general partner to Caduceus. Pursuant to certain agreements and relationships, Advisors and Capital have discretionary investment management authority with respect to the assets of Associates and Caduceus. Such authority includes the power to vote and otherwise dispose of securities purchased by Associates and Caduceus. The Reporting Persons may be deemed to be a director of the issuer by virtue of having nominated a representative, now Michael B. Sheffery, to serve on the Issuer's board of directors.

- The Reporting Persons disclaim beneficial ownership except to the extent of their pecuniary interest. This report shall not be deemed an admission that the Reporting Persons are beneficial owners for the purpose of Section 16 of the Exchange Act of 1934, as amended, or for any other purpose.
- (3) This option vests 50%/25%/25% over three years in quarterly increments.
  - (5) The amount shown represents (i) options to purchase 74,292 shares of Common Stock held by Caduceus, and (ii) options to purchase 708 shares of Common Stock held by Associates.
  - (6) The options were granted directly to Mr. Sheffery, a director of the Issuer. Mr. Sheffery is also a partner of Associates and Capital. Mr. Sheffery is obligated to transfer any shares issued under the options to Associates and Capital.
  - (7) For each share of Common Stock of the Issuer purchased on June 8 2007, the purchaser also received a warrant to purchase .25 shares of Common Stock.

- This amount represents (i) warrants to purchase 742,925 shares of Common Stock held by Caduceus, and (ii) warrants to purchase 7,075 shares of Common Stock held by Associates. Advisors, pursuant to its authority under its investment advisory contract with Associates, may be considered to hold indirectly warrants to purchase 7,075 shares of Common Stock and Capital, pursuant to its authority as general partner of Caduceus, may be considered to hold indirectly warrants to purchase 742,925 shares of Common Stock.
- (8)

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.