

Press Release
March 27, 2003

Artimplant signs deal on test sales of Augmentation Device ACL

Artimplant AB and Atlantech Ltd. – a subsidiary of ArthroCare Corporation, Sunnyvale, CA – today signed an initial distribution agreement in which Atlantech will conduct test sales during six month of Artelon™ Augmentation Device ACL.

The purpose of the six-month distribution agreement is to market the Artelon™ Augmentation Device ACL primarily in the United Kingdom, but also in other markets in Europe. At the end of the test sales period, both parties will evaluate the outcome. After the evaluation a decision will be made whether to enter into negotiating a global license and supply agreement concerning the augmentation device and tentatively the joint development of a stand-alone ACL prosthesis based on Artimplant's proprietary biomaterial technology.

The six-month period begins as soon as Artimplant starts to ship the products, which is estimated to take place in April, 2003.

Atlantech has long experience in marketing and distributing product for ACL repair in the United Kingdom as well as in the European Union.

- This deal is a first step in commercializing Artimplant's ACL product development, says Tord Lendau, CEO of Artimplant.
- Not the least important is the deal taking into consideration Artimplant's financial situation and the turn-around we are currently working on. In any case, the deal will not make our possibilities to out-license other applications based on Artelon™ more difficult, Tord Lendau continues.
- We are impressed with the Artelon™ technology and the possibilities to develop a number of applications for use in orthopedics, says Clive Reay-Young, CEO of Atlantech.

For additional information, please contact:

Tord Lendau, CEO, phone +46 (0)31 746 56 00, +46 (0)708 369 403, tord.lendau@artimplant.se
Ulf Åkerblom, VP Corporate Development, phone +46 (0)31 746 56 00, +46 (0)709 675 999,
ulf.akerblom@artimplant.se

ARTIMPLANT

Artimplant is a biomaterial company that focuses on orthopedic surgery solutions. The company runs R&D operations for biodegradable implants and develops manufacturing processes for the implants. Its goal is to enable active lives. Artimplant's biomaterial is based on a new technology that's opening new markets within orthopedic surgery and closely related areas that have extensive med-tech needs.

Artimplant developed and patented several different degradable ligament implants that are now in clinical trials. The company's business concept is to license products and technologies to global partners.

The Artimplant stock is listed on the Stockholm stock exchange's O list.