

ZUIDEX obtains reimbursement in German hospitals

The German authorities have decided that treatment by injection for urinary incontinence shall be included in the so-called Diagnosis Related Groups system (DRG) during 2004.

Zuidex, which is Q-Med's product for the treatment of stress urinary incontinence in women, will therefore be included in this refund system as from January 1, 2004.

The fact that this form of treatment is now included in the DRG system means that ZUIDEX will be covered by a refund when the product is used in hospitals.

During 2004 Q-Med's sales activities in Germany will be directed at hospitals. At the same time the work on obtaining reimbursement within outpatient care in Germany will continue.

ZUIDEX is Q-Med's product for the treatment of stress urinary incontinence in women. The product is used to strengthen the muscles around the urethra and thus stops the involuntary leakage of urine that can arise. The injection of ZUIDEX around the ureter makes it easier for the muscles to hold tight in the event of stress. ZUIDEX is injected with the aid of the IMPLACER injection device.

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Note: Q-Med AB operates under the name of Q-Med Scandinavia, Inc. in the USA.

Q-Med is a rapidly growing and profitable biotechnology/medical device company that develops, produces and markets medical implants. All products are based on the company's patented technology for the production of NASHA - Non-Animal Stabilized Hyaluronic Acid. The products RESTYLANE, RESTYLANE Fine Lines and RESTYLANE Perlane are used for the filling out of lips and facial wrinkles and today account for the majority of sales. DUROLANE, Q-Med's product for the treatment of osteoarthritis of the knee joint, has been approved in Europe since May 2001. DEFLUX is a product which has been approved in Europe and the USA for the treatment of vesicoureteral reflux (malformation of the urinary bladder) in children. ZUIDEX for the treatment of stress urinary incontinence in women has been sold in Europe since July 2002. Since July Q-Med today has 440 employees, with approximately 290 at the company's production facility and head office in Uppsala. The Q-Med share was first listed on the O-list of the Stockholm Stock Exchange in December 1999.