

Biomaterials for Tissue Engineering

Press release from Artimplant Gothenburg, August 18, 2000

Hand surgery study presented in Finland

At an internationeal hand surgery congress in Kuopio, Finland, Artimplant presented for the first time in a scientific forum the short term follow-up results on a new method for treatment of chronic thumb ligament injuries where Artimplant's augmentation ligament has been used. All five patients included in a pilot study had regained normal joint stability and grasp strength in the operated joint six months after surgery.

A so called augmentation technique has been used in the study, which means that joint tissue from the patient's wrist has been reinforced with Artimplant's biodegradable implant and surgically inserted for repair of chronic (>6 months) thumb ligament injuries.

- All patients have six months after surgery regained normal stability and grasp strength, comments Anders Nilsson, specialist physician in hand surgery at Sahlgrenska University Hospital and responsible for the pilot study. Using the augmentation principle is new in the hand surgery area. The purpose is that the synthetic ligament shall carry the burden until the patient's joint tissue has regained its strength and then the implant degrades. The implant is unique in several aspects due to its elastic properties and its durability with maintained strength for up to six months whereafter degradation is initiated. Since the augmentation ligament is biocompatible, cells from the joint tissue and the ligament remains can grow into the implant and form a new ligament that stabilizes the thumb joint.

An estimated half a million people in the western world are diagnosed with thumb ligament injury each year. It is one of the most common skiing injuries in the hand. When early diagnosed, the injury is treated surgically shortly after occurrence whereby the ligament is reattached to its original location. However, an improper diagnosis, or reattachment failure, will eventually lead to joint instability, cartilage weardown and arthrosis development. The market size for Artimplant's biodegradable implant for treatment of chronic thumb ligament injuries is estimated to approximately SEK 500m.

Artimplant is also carrying out a hand surgery study on patients with osteoarthritis at the base of the thumb. Early follow-up results for the ten patients show that the treatment with Artimplant's biodegradable implant (spacer) leads to significant pain reduction. A longer follow-up period is needed to ascertain long term results. Approximately one million people

are diagnosed with thumb-base osteoarthritis each year in the western world and the market size for a functioning implant is estimated at SEK 5-12bn.

Artimplant is a biomaterial company focused on unmet needs in the field of orthopedic surgery. Artimplant develops, manufactures and markets biodegradable implants with the aim of recreating an active life. The company's in-house developed biomaterial is based on a new patented technology that opens new market opportunities within orthopedic surgery and numerous other specialist areas where medical needs are large. After several years of development work Artimplant is now entering a market phase.

Artimplant has developed and patented a number of biodegradable ligament implants currently undergoing clinical studies. Early observations from a pilot study using Artimplant's anterior crutiate ligament (ACL) implant show subjective as well as objective knee stability. The technique enables relatively early rehabilitation. A ruptured ACL in the knee is one of the most frequent ligament injuries and often leads to lifelong detrimental effects for the injured, and substantial costs to society. The market potential for Artimplant's ongoing development projects amounts to approximately SEK 30 bn. Furthermore, the market potential for Artimplant's carrier technology is estimated at more than SEK 50 bn.

As part of Artimplant's market strategy Gothenburg Medical Center (GMC) was acquired with the purpose of establishing Swedish headquarters for **Artimplant Academy** – a forum for advanced clinical research, application and education within orthopedic surgery.

Artimplant is listed on the OM Stockholm Exchange O-list.

Artimplant's interim reports and press releases can be retrieved from: www.Artimplant.se

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