

Artimplant AB Hulda Mellgrens gata 5 SE-421 32 Västra Frölunda SWEDEN

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Press Release Västra Frölunda, Sweden, October 28, 2010

# ARTIMPLANT INTERIM REPORT JANUARY - SEPTEMBER 2010

- Net revenue for the third quarter amounted to SEK 5.1 million (5.5) and for January-September SEK 14.9 million (18.2).\*
- The net loss for the third quarter totaled SEK 5.2 million (4.7) and for January-September SEK 15.0 million (13.2).
- Earnings per stock unit for the third quarter amounted to SEK -0.09 (-0.08) and for January-September SEK -0.25 (-0.22).
- Artimplant's own sales continued to increase and were equivalent to 65% (40) of product sales for the third quarter and 59% (30) for January-September.
- Artimplant's own sales in the USA have tripled at the same time that revenue from license sales halved compared with January-September 2009.
- Artimplant's strategy has been focused on marketing with increased intensity in own sales in the USA.
- Artimplant has implemented staff cutbacks equivalent to an annual saving of approximately SEK 5 million once the periods of notice have come to an end.
- Study data has been presented which supports the use of Artelon® in a number of treatment applications.

#### Events after the period-end

- Artimplant's rights issue was oversubscribed by 89% and, as planned, has generated capital input for the Company of approximately SEK 38.5 million before issue costs.
- The issue will increase the number of Series B stocks by 59,244,790, from 58,669,790 to 117,914,580. The number of Series A stocks remains unchanged at 575,000. The total number of stocks after the issue is thus 118,489,580.
- The total number of votes following the issue is 123,664,580.

N. B. This is a translation from Swedish. The Swedish version shall always take precedence.

Artimplant will hold a telephone conference by reason of this report on October 28, 2010 at 11 am (CET). For further information see www.artimplant.com.

\* Figures in brackets refer to the corresponding period last year

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Further information is available at www.artimplant.com. To subscribe to future press releases please go to <a href="https://www.artimplant.com/investors-media/subscribe-to-press-releases.html">www.artimplant.com/investors-media/subscribe-to-press-releases.html</a>



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### **Artimplant**

Artimplant's mission is to restore the health of patients by offering medical professionals degradable implants that help the body to heal. Artimplant is a medical technology company that restores health through the development, production and marketing of degradable implants that regenerate body functions and improve quality of life. Our products are made from Artelon®, a biomaterial developed by the Company. Artimplant produces implants for the treatment of osteoarthritis and the reinforcement of weakened soft tissue. The Company's products are sold through licensees and own sales under the Artimplant brand take place through agents and distributors. Artimplant is a public company listed on the NASDAQ OMX Stockholm Exchange in the Small Cap segment and in the Healthcare sector.

## **Forward-looking statements**

This press release contains forward-looking statements as defined in the U.S. Private Securities Litigation Reform Act of 1995. Readers are cautioned not to place undue reliance on these forward-looking statements. Actual results may differ materially from those indicated by these forward-looking statements as a result of risks and uncertainties impacting the Company's business including increased competition; the ability of the Company to expand its operations and to attract and retain qualified professionals; technological obsolescence; general economic conditions; and other risks detailed from time to time in the Company's filings.

This is information which Artimplant shall make public pursuant to the Swedish Financial Instruments Act and the Swedish Securities Exchange and Clearing Operations Act and/or stock market agreements. Information was made available for publication on October 28 2010 at 8 am (CET).