

Press Release
October 3, 2002

Artimplant Appoints New CEO and Reduces Organization

The Board of medico-technology company Artimplant appointed Tord Lendau to CEO at today's board meeting. Lendau will take up his duties as soon as possible.

Tord Lendau, born in 1957, has extensive experience from corporate management in the medico-technology sector, most recently as CEO of Noster System AB. Lendau is also a board member of several medico-technology companies, including Diamyd and NASDAQ-quoted ArthroCare Inc.

Artimplant's work to establish a collaborative partnership with one or more global corporations within the orthopaedic field in order to market and distribute the company's first products is progressing as planned. Confidential negotiations are underway with six different companies.

The Board continues to work with the company's long-term financing. As a step in this work, a decision was made today to drastically reduce costs. The Board has assigned Lendau the task of implementing these changes, with the short-term target to reduce the parent company's costs from SEK 60 million to about SEK 40 million per annum.

About 15 employees are expected to leave the company. Notice will be given to the county labour board on Thursday and negotiations will begin immediately, governed by the law concerning right of participation in decision-making. The cutbacks will affect all levels and positions within the company.

A decision was also made concerning a new business plan, which will include a focus on orthopedic products, among other things. The projects with which Artimplant will continue to work are as follows:

- ACL support for damaged anterior cruciate ligament of the knee
- ACL prosthetic
- Spacer for hand surgery
- Supports for other symptoms within orthopaedics, based on existing fibre technology
- Collaboration with Mölnlycke concerning wound care

Further, Artimplant will seek collaborative partners that can develop new products based on the company's patented ArtelonTM technology within therapeutic fields other than orthopaedics.

The Board's assessment is that these actions are a necessary step in the work to bridge the current financially strained situation. The company's long-term prospects remain positive and unchanged.

For additional information, please contact:

Tord Lendau, Chief Executive Officer, phone +46 (0)708 369 403

Lars Erik Nygren, Chief Financial Officer, phone +46 (0)31 746-5600, +46 (0)703 498 001,
lars.erik.nygren@artimplant.se

Ulf Åkerblom, Director Corporate Communications, phone +46 (0)31 746 5600+46 (0)709 675-999,
ulf.akerblom@artimplant.se

Web site: www.artimplant.se



Artimplant

Artimplant focuses on solutions for problems within the area of reconstructive surgery. Artimplant is active in the research and development of biodegradable implants with the goal of recreating active lives. The material the Company has developed is based on a new technology that is opening new markets in the field of orthopaedic surgery as well as other specialised fields where there are significant medical needs. After many years of working with development, Artimplant is now entering a marketing phase which involves licensing out to global partners.

Artimplant has already developed and patented several different degradable ligament implants that are now undergoing clinical trials. The Company is focusing on three high-priority areas for this degradable material: an augmentation device for anterior cruciate ligament reconstruction, hand surgery and augmentation sutures.

Artimplant is listed on the OM Stockholm Exchange's O list.