Press release, 10 November 2008

Injectable bone substitute receives EU approval for treatment of vertebral fractures

Cerament™ Spine Support, key product of medical technology company Bonesupport, has received EU approval for treatment of vertebral fractures in patients with osteoporosis. The approval gives Bonesupport the impetus to enter the major European markets. The company is already active in the USA.

”The EU approval means a major breakthrough for Bonesupport in the European market. We are preparing launches in several markets and have already established sales in the USA. The approval has therefore come at a very opportune moment”, explains Fredrik Lindberg, CEO of Bonesupport.

Vertebral compression fractures are a worldwide problem. There are 700 000 annually in the US, 500 000 in Japan, and 350 000 in Europe. In the European Union, vertebral fractures are responsible of 8% of the hospital costs of all osteoporotic fractures with an estimated yearly expense of 377 €M.

The MIVCF (minimally invasive vertebral compression fracture) treatment market for 2008 is estimated to €M 109.7 comprising France, Germany, Italy and UK.

In an initial stage the approval applies to use of the injectable bone substitute for treatment of vertebral fractures primarily in patients with osteoporosis. Bonesupport foresees approval of its other product Cerament™ Bone Void Filler in the coming months.

“I believe I speak for the majority of my colleagues in welcoming the CE Mark clearance for a biological material alternative for the treatment of vertebral compression fractures and vertebral augmentation procedures. Options have been very limited and with the growing number and complexity of patients requiring treatment the opportunity to use a biological material is very exciting”, said Professor Johannes Hierholzer, Chefarzt der Diagnostischen und Interventionelle Radiologie, Klinikum Ernst von Bergmann gemeinnützige GmbH., Potsdam, Germany.

Bonesupport has prepared for the introduction of Cerament™ by recently establishing a subsidiary in Germany with responsibility for sales in central Europe. In addition the company has a distribution agreement with OsteoGen srl for the Italian market. The company is experiencing major interest in the Cerament technology and negotiations are ongoing for distribution in other European markets.

”During 2009 we will establish ourselves, either under own management or through distributors, in the major European markets such as the United Kingdom, France and Spain”, says Fredrik Lindberg.

Facts about Cerament

- Cerament is a ceramic, injectable bone substitute which reinforces decalcified bone while allowing the patient's own bone tissue to grow into and replace the implant.
- Cerament has near-physiological "orthobiological" properties based on natural minerals.
- Cerament in injected with the patient fully conscious using only a local anaesthetic. The patient becomes pain free as soon as the injected bone compound has set and the vertebra stabilised.
- The treatment is quick, easy and safe to perform.

For further information please contact:
Fredrik Lindberg, CEO, BONESUPPORT AB
Tel. +46 46 286 53 70 or +46 708-86 53 70
Ian Kirkwood, VP Marketing & Sales, BONESUPPORT AB
Tel. +46 46 286 53 58 or +46 706 16 53 58

Press photos are available at www.bonesupport.com

About Bonesupport
Bonesupport AB is an innovative Swedish medical technology company focused on the development of high-technology solutions for the treatment of conditions such as osteoporotic fractures and herniated discs. Bonesupport AB was founded in 1999, currently has 29 employees and is based at Ideon Science Park in Lund, Sweden. It has subsidiaries in the USA and Germany. The company's two main trademarks are CERAMENT™ and ULTRAZONIX®.