

Press Release, 24 March 2009

Bonesupport gains its second EU product approval

The medical technology company Bonesupport has received EU approval for Cerament™ Bone Void Filler. The product is a ceramic bone substitute primarily used for the treatment of osteoporotic fractures. Bonesupport is now launching an aggressive marketing campaign targeting selected markets within the EU.

This is Bonesupport's second EU approval within a short space of time. In November 2008 the company was awarded a CE mark within the EU for its key product Cerament™ Spine Support. The product is about to be launched in Germany, Austria and Italy.

- "The approval of Cerament™ Bone Void Filler enhances our product portfolio. We foresee opportunities to capture significant market shares with our synthetic bone substitute, which offers doctors a further practical and costeffective therapeutic option", says Bonesupport CEO Fredrik Lindberg.

Cerament[™] Bone Void Filler is used as an alternative to bone grafting in the treatment of bone defects and osteoporotic fractures. The product will initially be used in spinal and fracture surgery, with other broader orthopaedic applications being added later.

- "We also see significant market potential within neurosurgery and reconstructive surgery", says Fredrik Lindberg.

In conjunction with the approval, Bonesupport is launching an aggressive marketing campaign in selected markets within the EU. The company has already set up a subsidiary in Germany with responsibility for sales in central Europe and signed a distribution agreement with OsteoGen srl for the Italian market. Negotiations are ongoing regarding distribution in Spain, Portugal, Austria, Belgium, the UK and Ireland.

The injectable bone filler Cerament[™] has major worldwide market potential, with the global orthopaedic market generating billions of dollars in sales every year. In Europe, the market for the treatment of vertebral fractures is valued at €377 million.

Following clearance from the FDA (Food and Drug Administration), Cerament™ Bone Void Filler has been available on the North American market since 2008. Hundreds of patients have been treated with the product to date with excellent clinical outcomes. Alongside its presence in the North American and European markets, Bonesupport is looking to launch its products in other markets such as Asia and South America in the longer term.

Spinal fractures and osteoporosis are a major problem throughout the world – especially among older women – and considerably impair quality of life. In Europe and the USA alone, over 1.5 million people a year suffer spinal fractures, resulting in major public health costs. It is vitally important that more patients should receive treatment in order

to reduce suffering. Furthermore, Bonesupport's products can produce major annual savings for the health services.

About Cerament

- Cerament is an injectable ceramic bone substitute which reinforces the decalcified bone while allowing the patient's own bone tissue to grow into and replace the implanted material.
- Cerament has near-physiological "orthobiological" properties based on natural minerals.
- Depending on the indication, Cerament can be injected under local anaesthetic and the patient becomes pain-free as soon as the bone substitute material has set and the fracture has stabilised.
- The treatment is quick, easy and safe to perform.

For further information contact:

Fredrik Lindberg, CEO, Bonesupport AB

Tel: +46 46 286 53 70 or +46 708-86 53 70

Ian Kirkwood, Sales and Marketing Director, Bonesupport AB

Tel: +46 46 286 53 58 or +46 706 16 53 58

Press photographs 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 32 employees and is based at the Ideon Science Park in Lund, Sweden. The company has subsidiaries in the USA and Germany. Its two principal trademarks are CERAMENT $^{\text{TM}}$ and ULTRAZONIX $^{\text{R}}$.