

Paris, 9 April 2009

Press Release**SpineGuard raises \$11 million and
acquires *PediGuard*® business unit from SpineVision**

SpineGuard, a French medical device start-up, announced today that it has raised a first funding round of **\$11 million** with **Crédit Agricole Private Equity** (lead), **Innoven Partenaires** (co-lead), and **A Plus Finance**. The company has used part of the proceeds to acquire the **PediGuard** unit from **SpineVision**. SpineGuard was advised on both transactions by **Aelios Finance**.

Co-founded this year by **Pierre Jérôme** and **Stéphane Bette**, former executives at Medtronic Sofamor-Danek and SpineVision, SpineGuard's primary objective is to establish *PediGuard* as the standard of care for safer pedicle screw placement in spine surgery. *PediGuard* has FDA clearance and a CE Mark.

Nearly one million¹ spine procedures using pedicle screws were performed last year. According to published studies, pedicle screws show high rates of *mislacements*—as high as 40 percent—which can lead to a number of serious complications for patients, including quadriplegia. Consequently, liability risks for spine surgeons are high.

"Pedicle screw placement is the *number-one* safety challenge today in spine surgery," said Pierre Jérôme, CEO of SpineGuard. "Now, with more than **7,000**² spine procedures performed in **20** countries using *PediGuard*, including the U.S., this innovative device is clearly emerging as the most compelling solution to the significant clinical need for safer pedicle screw placement."

"SpineGuard is totally committed to establishing *PediGuard* as the standard of care in pedicle screw placement," added Stéphane Bette, Chief Technology Officer and General Manager of U.S. Operations for SpineGuard. "Toward this end, we have a team of 15 accomplished individuals divided between San Francisco and Paris, all of them very experienced in spine."

Several peer-reviewed publications now validate the value proposition of *PediGuard* for spine professionals and their patients: pedicle breach anticipation plus reduction of radiation exposure and surgery time. It has a stake in the ground on all continents: impressive ramping-up of sales in the U.S., a strong base in Europe, a great start in Latin America, and significant interest from the Pacific Rim. SpineGuard is partnering with the best distributors to allow more spine surgeons throughout the world to use *PediGuard* and more patients to benefit from a safer spine stabilization.

"SpineGuard's investors know that *PediGuard* is a game-changer: the product serves an unmet clinical need with a sizable market opportunity," said **Alain Lostis**, Managing Director at Aelios Finance.

"We are delighted to have carried through this funding round to support the development of the *PediGuard*. The unique positioning of this proprietary product in the spine field matched to the know-how of the Franco-American team convinced us and our co-investors," commented **Alexia Perouse**, Director at Crédit Agricole Private Equity.

Thomas Balland, Investment Director at Innoven Partenaires, added, "We look forward to working actively with the Company to help it achieve its long-term commercial and financial objectives."

Jean-Michel Pimont, Partner at A Plus Finance, said: "Their product positioning and the quality

of the management team have convinced us to join the pool of investors and support their development strategy.”

Alexia Perouse, Thomas Balland and Jean-Michel Pimont will be joining SpineGuard's board of directors.

Representatives

Crédit Agricole Private Equity

Alexia Perouse, Director Venture Capital team

Innoven Partners

Thomas Balland, Investment Director

A Plus Finance

Jean-Michel Pimont, Partner

Advisors

Financial investors

Dechert - Emmanuelle Trombe & Anthony Paronneau

SpineGuard

Fried, Frank, Harris, Shriver & Jacobson - François Hellot & Anne-Charlotte Rivière

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About PediGuard®

Co-invented by Maurice Bourlion, Ph.D., and Ciaran Bolger, M.D., Ph.D., PediGuard is the world's first and only handheld device capable of alerting surgeons to potential pedicular or vertebral breaches. Real-time feedback is provided via audio and visual signals. More than 7,000 procedures have been performed with PediGuard in 20 countries. Two multi-center clinical studies about PediGuard have been published: one by Ciaran Bolger, M.D., Ph.D. et al., in the European Spine Journal, and the other by Randy Betz, M.D. et al., in the Temple University Journal of Orthopaedic Surgery & Sports Medicine. These two studies demonstrated that PediGuard doubles the pedicle breach detection rate, reduces radiation exposure by 30 percent, and decreases by up to 10 percent the average time for pedicle screw placement.

SpineGuard's mission is to make spine surgery safer. The company has offices in San Francisco and Paris. For further information, visit www.spineguard.com.

¹ Source: I-Data Research

² Data on file.

About Crédit Agricole Private Equity

Crédit Agricole Private Equity, an AMF-authorized investment management company and wholly-owned subsidiary of Crédit Agricole S.A., specialises in direct private equity investment in unlisted companies. A multi-specialist, Crédit Agricole Private Equity has 50 investment teams focusing on different segments of the private equity market (LBO & Expansion, Venture Capital, Mezzanine, Renewable Energy, PPP Infrastructure, Special Situations, Co-Investment) and manages a total of €2.8 billion in various types of private equity vehicle (FCPR, SICAR, FCPI and SCR). www.ca-privateequity.com

About Innoven Partenaires

Innoven Partenaires is an independent venture capital firm, founded in 1997, with more than €200 million under management. Innoven Partenaires invests in France and across Europe in young companies with high growth potential in the life sciences, information technology, communications and energy / cleantech sectors. The investment team has a pro-active approach, working closely with portfolio companies, making available a broad international network, in-depth mergers and acquisitions and business development experience and a strong track record in bringing companies to IPO. www.innoven-partners.com

About A Plus Finance

A Plus Finance is an independent venture capital firm based in Paris. A Plus Finance invests in all innovative fields with a focus on information technology. Its team mixes entrepreneurs and finance professionals, thus bringing the managers an understanding of what good execution means and what a long term vision of exit strategies implies. Managing €220 million, A Plus Finance invests from €1 to €5 million on a first round of financing. www.aplusfinance.com.