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Ellipse Technologies Announces the Worlds' First Remote Control, Expandable/Reversible Device Used Clinically to Straighten a Human Spine

Irvine, California — Wednesday, December 9, 2009 — Ellipse Technologies, Inc. ("Ellipse") announced the worlds' first dynamic adjustment of its MAGEC™ System. This marks the first human use of any medical device operated via remote control that can non-invasively expand or reverse its length to straighten a human spine. Three patients have received the MAGEC implants. The Company expects three additional remote control adjustments in January 2010 as part of Ellipse initial worldwide, multi-center clinical usage study.

This history making adjustment was successfully performed by Professor Kenneth Cheung, at the prestigious Department of Orthopaedics and Traumatology, Queen Mary Hospital and the Duchess Of Kent Children's Hospital, the University of Hong Kong, China. Commenting on the procedure Prof. Cheung said, "This first non-invasive adjustment was made in an outpatient setting, just 30 days after the initial implant. The adjustment was completed in less than 30-seconds with the child awake, and was well received by the 5-year old patient. We are proud that the University of Hong Kong was the site at which such an historic procedure took place, and we are committed to continue our support of innovations that may help young children with spinal deformities."

Ellipse has developed the MAGEC (**MAG**netic **E**xpansion **C**ontrol) Technology for minimally invasive, and ultimately non-invasive, orthopedic deformity prevention and management. Ellipse has filed numerous patent applications for use of MAGEC Technology for a broad range of clinical applications. The Company is currently concentrating on deformity and trauma applications in the orthopedic and spinal markets. MAGEC Technology is a breakthrough medical device technology capable of *non-invasively adjusting* (expandable and reversible) implants within the human body from outside the body via remote control. The first application for this technology is for the treatment of spinal scoliosis in children.

Currently, young children and pre-teenagers with spinal scoliosis have few medical options. The standard treatment requires a series of five to ten highly invasive surgical operations with large surgical incisions and long recovery times performed over a number of years – a process so undesirable that these young patients and their families are being evaluated for Post Traumatic Stress Disorder.

With the MAGEC Technology, a single minimally invasive surgical procedure is completed. Then, during a series of routine outpatient visits, the physician will dynamically adjust the MAGEC Technology from outside the body via the MAGEC System's control unit, thus eliminating the need for multiple highly invasive surgical procedures. The MAGEC System is being developed to provide multiple clinical advantages such as spinal motion preservation, no long term permanent implant, minimal trauma and scarring, and short hospitalization times.

Commenting on the important milestone, Ellipse Technologies Chairman, Michael Henson, said, "Ellipse hopes to revolutionize the treatment of scoliosis and offer corrective therapy to a broader population in need, consisting of both young and older scoliosis patients. The Company is currently

enrolling patients in a worldwide, multi-center study and based on our recent CEOMark approval, we plan to progress simultaneously with a limited market launch in Europe."

Ellipse Technologies, Inc. is a privately-held medical device company located in Irvine, California. The Company is focused on developing the innovative MAGEC Technology treatment for numerous clinical applications, the first application being spinal scoliosis. In addition, Ellipse plans to expand the MAGEC Technology platform to include innovative and state-of-the art treatments for a broad spectrum of orthopedic deformity uses including broad spinal applications, orthopedic trauma and genetic diseases.

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The MAGEC™ System is not currently available for distribution in U.S.