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NOVASYS MEDICAL SECURES \$25 MILLION IN SERIES C FINANCING FOR COMMERCIALIZATION OF A NEW NON-SURGICAL TREATMENT FOR FEMALE STRESS URINARY INCONTINENCE

NEWARK, California, April 27th, 2004 — Novasys Medical, Inc., a developer of new therapies and technologies for the treatment of female pelvic disorders, secured \$25 million in Series C preferred stock financing. The funding round was co-led by JPMorgan Partners and Invesco Private Capital and included current investors Delphi Ventures, ONSET Ventures, Alloy Ventures, Affinity Ventures and GBS Venture Partners.

The financing will be used to ramp up operations and prepare for sales and marketing in anticipation of the company commercializing its first product, the Novasys Micro-remodeling System™. The system, which is designed to treat female stress urinary incontinence (SUI), has received the CE Mark for use in the European Union and is pending FDA marketing clearance for sale in the United States.

“We are pleased that JPMorgan Partners and Invesco Private Capital have joined Novasys’ existing group of top-tier investors to help bring the Novasys Micro-remodeling System to physicians and patients worldwide,” said Ray Larkin, Jr., a seasoned healthcare executive and Novasys’ newly elected Chairman of the Board of Directors. “Novasys has developed a novel stress urinary incontinence therapy. The company’s experienced management team is well-positioned to take advantage of the ample market opportunity.”

Stress urinary incontinence, often known as SUI, is the involuntary leakage of urine associated with sneezing, laughing, and other physical activities. SUI affects more than nine

million American women and more than 50 million women worldwide. While both surgical and non-surgical SUI therapies are currently available, most are plagued by safety, recovery, compliance, and effectiveness concerns.

“Currently fewer than 20 percent of women suffering with SUI seek medical treatment. The Novasys Micro-remodeling System is designed to address the unmet needs of this large women’s health market by offering incontinent women and their physicians a non-surgical, outpatient therapeutic alternative,” said Debra Reisenhel, President and CEO of Novasys Medical, Inc. “By developing a new SUI therapy, our hope is that more women will now have a first line safe treatment for this prevalent, disruptive condition.”

The non-surgical Novasys procedure utilizes a transurethral probe to treat microscopic regions within the lower urinary tract. This treatment increases the resistance of the tissue to involuntary leakage. The outpatient procedure can be performed using local anesthetic plus oral sedation or conscious sedation.

About Novasys Medical, Inc.

Novasys Medical, Inc. (Newark, California) is a privately held, venture-backed company which is developing novel therapies for the treatment of female pelvic disorders. The company’s initial focus is on the development and commercialization of the Novasys Micro-remodeling System, a proprietary, non-surgical radiofrequency device to treat female stress urinary incontinence. For more information, please visit www.novasysmedical.com or call (510) 226-4060.

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