



Company Information Center

June 17, 2003 12:57 PM US Eastern Time zone

**VERTEBRON INC. ANNOUNCES A LONG-TERM STRATEGIC ALLIANCE AND MINORITY EQUITY INVESTMENT FROM THE MUSCULOSKELETAL TRANSPLANT FOUNDATION -MTF-, THE WORLD'S LARGEST AATB ACCREDITED BONE AND TISSUE BANK**

STRATFORD, Conn.--(BUSINESS WIRE)--June 17, 2003--VERTEBRON Inc. (VERTEBRON) has entered into a strategic alliance with the Musculoskeletal Transplant Foundation (MTF) for product development, co-marketing and distribution of specified bone grafts in addition to synthetic constructs within certain international markets.

Negotiations concerning the distribution terms for specific countries are in process. The initial term for this strategic alliance is anticipated to span at least 3 years, with options for renewal up to 7 years. MTF, located in Edison, NJ, is the world's largest bone and tissue provider and is accredited by the American Association of Tissue Banks (AATB). MTF will work with VERTEBRON to develop a series of allograft and synthetic products which will complement VERTEBRON's broad portfolio of spinal implants within the European and Asian markets. In connection with this strategic alliance, MTF is also making a minority equity investment in VERTEBRON.

VERTEBRON, located in Stratford, CT, has developed revolutionary spinal implant technologies, including artificial discs, cervical plates and pedicle screw systems to participate in both the over \$2 billion fusion market and rapidly expanding motion preservation market, which is expected to exceed \$3 billion by 2010. Allograft bone remains the structural material of choice because of its biologic and integration properties with host bone. Partnering with an AATB accredited tissue bank that maintains extremely high quality standards is crucial to providing patients within the international community with the best quality tissue available.

Hosam Afifi, President and CEO of VERTEBRON stated, "VERTEBRON is proud to be strategically aligned with the Musculoskeletal Transplant Foundation. MTF's support and broad portfolio of tissue forms complement our ability to better serve spine surgeons with fusion procedures, providing both spinal implants and allograft adjuncts. We are especially delighted to be partnering with MTF given their dedication to the highest quality standards toward donor acceptance, tissue processing and education. This alliance further adds to VERTEBRON's balanced approach in offering state of the art options addressing both fusion and motion preservation to meet the procedural demands of surgeons internationally, for both today and tomorrow."

Bruce Stroever, President and CEO of Musculoskeletal Transplant Foundation added, "MTF sees strong potential to couple allograft with VERTEBRON's product portfolio of fusion and motion preservation products. Opportunity for growth in the international marketplace for both allograft and synthetic solutions can be achieved by positioning ourselves with VERTEBRON and their extensive network of international distributors. It also permits us to further our mission to provide high quality tissue to patients worldwide."

VERTEBRON is a privately held medical device company that has developed spinal implant technologies, including artificial discs (motion preservation), cervical plates, pedicle screw and interbody (fusion) systems through the vertical integration of spinal, orthopaedic and total joint technologies. VERTEBRON's advanced motion preservation devices, fusion technologies and breakthrough spinal implant designs will be strategically marketed to establish the company as a leading provider of innovative next-generation solutions. The comprehensive product offering provides surgeons with enhanced intra-operative flexibility, simplified surgical techniques, and reliable instrumentation. For more information, please visit [www.vertebron.com](http://www.vertebron.com).

The Musculoskeletal Transplant Foundation is a non-profit service organization dedicated to providing quality tissue through a commitment to excellence in education, research, recovery and care for recipients, donors and their families. MTF's standards are established by a medical board of surgeons, who've developed stringent criteria for donor screening, acceptance and tissue processing. MTF's quality and safety standards consistently meet or exceed the requirements of the American Association of Tissue Banks (AATB) and the current regulations published by the FDA. For more information, please visit [www.mtf.org](http://www.mtf.org).

This release may contain forward-looking statements including, but not limited to, projections of future performance and regulatory approvals, subject to risks and uncertainties. These statements are subject to change based on known risks detailed from time to time in VERTEBRON's Business Plan and offering documents and other known and unknown risks and various other factors, which could cause the actual results or performance to differ materially from the statements made herein.

Contacts : VERTEBRON Inc., Anan Natarajan 203/380-9340

