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P R E S S R E L E A S E

Precimed Group Announces Closing of CHF 34 Million Equity Investment

Orvin, Switzerland and Exton, PA USA, 13th September 2005, 07:30am (CET) – Precimed Group, a leading technology-driven supplier to the orthopaedic industry, today announced the closing of a CHF 34 million equity transaction (~\$27MM USD) to fund the Company's organic growth and enable strategic acquisitions. The transaction was financed by BVgroup Private Equity as lead-investor, Ypsomed Holding AG and HBM BioVentures/BioCapital as co-lead investors and Vinci Capital - Renaissance PME as co-investor.

Precimed - leading innovator in orthopaedics

Precimed is a growing Swiss medtech company focusing on the design and development of innovative instruments for the orthopaedic implant market. The company has its global headquarters in Orvin, Switzerland, North American headquarters in Exton, PA near Philadelphia as well as subsidiaries in the United Kingdom, Japan and Asia. Manufacturing facilities are located throughout Switzerland and in the US. Precimed employs a total of 270 highly qualified employees (200+ of them in Switzerland), and its leading products, including instrumentation for hip and knee replacement, trauma and spine are sold worldwide to more than 260 orthopaedic OEM customers, among them Zimmer, Stryker, DePuy, Medtronic, Smith & Nephew, Biomet and Synthes. Since the start of the medtech business in 1995, Precimed has increased its sales from CHF 1.8 million with 17 employees to more than CHF 55 million today. Precimed generates 60% of its sales in the USA, in line with the general market trend and within the three major orthopaedic sectors, i.e. reconstruction, trauma and spine. Precimed is well-known in the industry for its outstanding quality and innovative products in strong, growing market segments such as minimally-invasive surgery, resurfacing, computer aided surgery, RFID tracking and disposable instruments. The company today has more than 45 patents/patents pending and invests approximately 6% of sales for research & development.

CHF 34 million investment by BVgroup Private Equity, Ypsomed Holding, HBM BioVentures/BioCapital and Vinci Capital - Renaissance PME

"With the closing of the CHF 34 million equity transaction, Precimed is well positioned to accelerate its growth strategy both organically and through selective acquisitions, thereby enhancing its range of products, services and technological capabilities. In addition, the transaction enabled long-time shareholders of Precimed a partial exit," states Patrick Berdoz, Precimed's Chairman and CEO. The transaction was syndicated by BVgroup Private Equity. Co-lead investors include Ypsomed Holding and HBM BioVentures/BioCapital with Vinci Capital - Renaissance PME participating as co-investor. The Company was advised by Bourgeois Muller Pidoux and Dimension Corporate Finance SA, and Wenger Vieli acted as advisor to the investors. "The investment in growing and innovative medical technology companies, such as Precimed, is at the core of BVgroup's investment strategy. We increasingly see opportunities for equity transactions to finance growth or to provide succession financing, especially for family enterprises in Switzerland," said Daniel Kusio, CEO of BVgroup Private Equity.

Precimed to benefit from growing orthopaedic market, new technology and supplier consolidation

Overall, the orthopaedic market is growing at approximately 15% per year worldwide, although Precimed's organic growth has averaged 40% per year over the past seven years. This growth has been achieved without the benefit of outside capital investment. Both the industry's and Precimed's growth is driven mainly by the demographic trend of an ever aging population combined with new technologies and surgical procedures offering faster recovery for patients, for example, the increased number of minimally-invasive surgeries (MIS) for hip replacement. "With a strong patent portfolio, high quality products and an increasing trend for the large OEMs to outsource manufacturing functions and consolidate their fragmented supplier base, Precimed is well positioned to grow faster than the overall market" affirms John Ayliffe, CEO of Precimed in Switzerland. "The investor group combines a unique mix of medtech competence and financial strength and is committed to actively contribute to Precimed's future growth in this exciting sector," added Dr. Beat Merz, Investment Advisor of HBM Partners.

Precimed's board of directors consists of Patrick Berdoz, Chairman and CEO of Precimed Group, John Ayliffe, CEO of Precimed SA in Switzerland, Dr. Beat Merz (HBM Partners) and Daniel Kusio (BVgroup Private Equity).

Further information is available from:

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This press release and further documents are available in electronic form at www.precimed.com.