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Olympus Medical Systems Corp. and Spiration, Inc. Sign Agreement to Market and Distribute Minimally Invasive Pulmonary Device in 43 European Countries

Agreement with Healthcare Leader Represents Broadest Distribution Agreement in Europe for a Bronchoscopic Treatment for Emphysema

Tokyo and Redmond, Wash. – May 19, 2008 – Olympus Medical Systems Corp. and Spiration, Inc. announced today that the companies have signed a definitive agreement granting Olympus exclusive marketing and distribution rights in Europe for Spiration's IBV[®] Valve System. Olympus will launch the product in select European countries in late 2008.

The IBV Valve System is a minimally invasive treatment that has diverse applications for both acute and chronic conditions of the lung. In Europe, the system has received market clearance through CE Mark for diseased and damaged lung, a broad indication that includes the treatment of emphysema and the resolution of prolonged air leaks, a complication that can occur following lung surgery.

Under the agreement, Olympus and its distributors will have exclusive marketing and distribution rights for the company's IBV Valve System in 43 European countries including the United Kingdom and countries belonging to the European Union. Spiration[®] will manufacture the product and initially, the device will be marketed under the Spiration name. The financial terms of the agreement were not disclosed.

"There is a significant unmet need for minimally invasive approaches to treating emphysema, a condition which affects millions and severely impacts quality of life," said Haruhito Morishima, president and CEO, Olympus Medical Systems Corp. "We look forward to working with Spiration to bring this innovative treatment option to patients and our established physician customer base in Europe."



“This definitive agreement represents the broadest distribution arrangement for a bronchoscopic treatment for emphysema in Europe to date,” said Rick Shea, president and CEO, Spiration, Inc. “We have developed a productive relationship with Olympus, the leading provider of bronchoscopy tools, through their investments in Spiration in 2006 and 2008, and through our European clinical collaboration. We are pleased that Olympus has demonstrated this level of commitment and support in our efforts to improve the quality of life for people with emphysema.”

About the IBV Valve System

The IBV Valve System was developed as a potential treatment alternative for the many people with emphysema who do not respond well to current medical therapies or are not eligible for invasive surgery such as lung volume reduction or lung transplantation. In addition, the IBV Valve System may also be used to resolve prolonged air leaks that can occur following lung surgery.

For the treatment of emphysema, the IBV Valve System is designed to redirect airflow from diseased portions of the lung to healthier areas. During the minimally invasive procedure, a catheter is passed through a bronchoscope (a flexible tube passed into the bronchial tubes through the mouth or nose) to deploy the small umbrella-shaped valves into the airways of the upper lobes of the lungs.

About Olympus

Olympus developed the first gastrocamera in 1950, and has since developed a wide range of fiberscopes and videoscopes for direct internal observation of the human body. Today, we are expanding our minimally invasive treatment business to offer a wide range of instruments and peripheral devices for medical treatment and clinical diagnoses, including endoscopic surgery. We are improving medical and healthcare services by developing “more patient-friendly medical care” technology for early detection and treatment of diseases, even “greater reliability” in our unsurpassed devices, and “high efficiency” in our products and services to better serve our customers’ needs. For more information about Olympus, please see the official website at <http://www.olympus-global.com/en/global/>.

About Spiration, Inc.

Spiration, Inc. is committed to improving quality of life for patients with acute and chronic conditions of the lung through the development of novel therapies. Founded in 1999 in Redmond, Wash., the privately held company is backed by prominent investors including Three Arch Partners, New Enterprise



Associates, Versant Ventures, Sprout Group (New Leaf Ventures), InterWest Partners, Investor Growth Capital, Boston Scientific Corporation and Olympus Medical Systems Corp. For more information, visit the company's website at www.spiration.com.

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The IBV Valve System has the CE Mark in the EU. The IBV Valve System is an investigational device in the United States. CAUTION – Investigational device limited by Federal (or U.S.) law to investigational use.