



News Release

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Cardiola expands its strategic focus

Company's CEO Christof Lenz will present at "IN3 Europe" in Paris

"Our *m.pulse*® device based on Muscular Counter Pulsation ("MCP") technology has the potential to significantly reduce acute *and* chronic heart failure treatment costs by accelerating patients' convalescence, shortening their hospital stays and lowering readmission rates."

Christof Lenz, CEO

WINTERTHUR, Switzerland, March 14, 2011—**Cardiola AG** announced today that it is expanding the targeted patient population which may benefit from the Company's CE-Marked *m.pulse*® Muscular Counter Pulsation ("MCP")-based system. Previously, Cardiola was focused only on chronic heart failure patients at home. Now, the Company has expanded its focus to include acutely decompensated heart failure patients, with treatments offered exclusively in the clinic.

"MCP" selectively stimulates a patient's muscle groups electrically and affects their contraction in synchronization with the early diastole cardiac cycle, which acts to relieve the heart from workload and improve blood flow. Due to its noninvasive protocol, the *m.pulse*® system, based on MCP, is designed to benefit heart failure patients in the clinic and at home. The product has been technically perfected and is simple to operate. The device and its underlying MCP technology are protected by several patents.

"It has been well-documented clinically that MCP—the proprietary technology platform of our patented *m.pulse*® device—is a safe and effective therapy designed to improve the hemodynamic function of a failing heart," said **Christof Lenz, Cardiola's CEO and former Global Innovation Manager at Siemens Medical**. "Heart failure patients showed an immediate 35% rise in Cardiac Output during MCP treatment, and study results indicate a reduction of post-operative complications and a shortening of hospitalization. Patients suffering from severe chronic heart failure showed an increase in performance of up to 60% after treatment."

Cardiola's *m.pulse*® device, based on Muscular Counter Pulsation (MCP) technology, is approved in Europe for treating heart failure. Battery-powered *m.pulse*®, the size of a cell phone that only during treatment is attached to the patient, is synchronized to his cardiac cycle to stimulate the muscles of the calves and thighs to make them contract in the resting phase of the heart. This well-established Muscular Counter Pulsation action results in increased blood flow to the heart muscle while decreasing the heart's workload. Now, *m.pulse*® is the world's first and only device enabling HF patients to receive MCP therapy in the clinic and at home.

Heart failure is among the world's most prevalent diseases and the cause of a number of further serious clinical disorders. Approximately 17 million people currently suffer from chronic heart failure just in Europe, the USA and Japan alone. Acute heart failure syndromes (AHFS) cause almost 1.6 million hospitalizations annually in the USA, requiring up to 8 million hospital days. In Europe heart failure accounts for approximately 30 million hospital days. Due to rising life expectancies in the industrialized nations, the number of cases will only continue to swell. Cardiola AG is thus targeting a market segment currently spending approximately USD 4 billion each year to treat heart failure with medical devices and recording an annual growth rate of 18 - 20 percent.

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