



FOR IMMEDIATE RELEASE:

Spinal Kinetics Completes Financing and Initiates US FDA Clinical Trial of M6®-C Artificial Cervical Disc

June 3, 2014, SUNNYVALE, CA. - Spinal Kinetics, the designer and manufacturer of the innovative M6® Artificial Disc, today announced that it has completed a \$34 million private financing. Current investors Scale Venture Partners, Lumira Capital, De Novo Ventures, SV Life Sciences and HLM Ventures led the financing. The funds will be used primarily to initiate an FDA-approved clinical trial of the M6-C artificial cervical disc and expand international commercialization and clinical programs.

The clinical trial compares single-level cervical disc replacement to single-level cervical fusion. Enrollment has begun at leading spine centers across the country, with the first patient receiving an implant by Dr. Carl Laurysen, at the Olympia Medical Center in Los Angeles, CA. Other sites actively enrolling for the Study include: Texas Back Institute in Plano, TX; Rocky Mountain Spine Arthroplasty Associates in Johnstown, CO; and Carolina Neurosurgery and Spine in Charlotte, NC. Additional sites will be starting throughout the US in coming weeks.

“The entire Spinal Kinetics team is thrilled to have reached this important milestone”, said Tom Afzal, President and CEO of Spinal Kinetics, Inc. “Surgeons, patients and our investors have been extremely supportive of the M6 and have enabled us to take this critical step. We look forward to working with the U.S. sites to complete the clinical trial while continuing to expand M6 availability internationally.”

“The M6-C represents a significant leap forward in artificial disc technology. I’m very excited to be involved with the FDA Trial,” said Dr. Carl Laurysen, Director at the Institute for Advanced Spinal Research in California. “The M6-C has proven itself clinically in the international markets with over 8 years of implant experience and excellent clinical results. This is a major step toward the ultimate goal of making the device available to American patients”.

The M6-C artificial cervical disc is designed to help patients suffering from degenerative disc disease of the spine; a common cause of chronic neck and arm pain. The M6 technology provides an alternative to spinal fusion and is designed to restore natural physiologic motion to the spine. The M6 is the only artificial disc that replicates the anatomic structure and biomechanics of a natural disc by incorporating both an artificial nucleus and annulus.

Introduced internationally in 2006, M6 technology has quickly become the market leader in Europe and other international markets and is available in over 27 countries worldwide. With approximately 30,000 implants to date, the M6 has become the disc of choice among leading spine surgeons around the world. In the U.S., Spinal Kinetics has successfully completed an FDA approved pilot study of the M6-C and subsequently received approval from the FDA to initiate the current clinical trial.

Spinal Kinetics is also pleased to announce a global settlement of all patent litigation with Synthes and Depuy Synthes (now part of Johnson & Johnson) with respect the Spinal Kinetics M6 Cervical and Lumbar artificial disc implants. Terms of the agreement are confidential.

For more information on the M6 Clinical Trial and a current list of clinical sites, please visit www.spinalkinetics.com/clinicaltrial/description

About Degenerative Disc Disease

Between adjacent vertebra throughout the spine is an intervertebral disc; a shock-absorbing pillow that helps maintain proper spacing, stability, and motion within the spine. Each disc has a fibrous outer band called the annulus fibrosus that encases a central, gel-like substance called the nucleus pulposus. The nucleus and annulus



work together to absorb shock, help stabilize the spine, and provide a controlled range of motion between adjacent vertebra. Often brought on by aging, the spine begins to show signs of wear and tear and the discs can dry out and shrink. This degenerative process can put pressure on the spinal cord and nerves and may cause neck, arm and back pain and other painful conditions such as spinal stenosis or a herniated disc.

About Spinal Kinetics

Founded in 2003, Spinal Kinetics is a privately held medical device company focused on developing innovative and practical solutions for treatment of diseases of the spine. The M6-C cervical and M6-L lumbar artificial discs have rapidly established themselves among the leading artificial discs available due to their unique biomechanical properties that replicate the motion of a natural disc. The company is located in Sunnyvale, California.

For more information on Spinal Kinetics or the M6 Artificial Disc, please visit www.spinalkinetics.com

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