Tensys Medical Enters Into Exclusive Commercial Agreement With Zhejiang Shanshi Medical Device For T-Line Distribution In China, Hong Kong & Taiwan

5-year Agreement Worth Up To \$US 40 Million

San Diego, California, February 8, 2013–<u>Tensys Medical, Inc.</u>, a leader in the development and commercialization of continuous, non-invasive hemodynamic patient monitoring systems has entered into a commercial agreement with Zhejiang Shanshi Medical Device CO., LTD (Shanshi) for distribution of the company's T-Line technology. The agreement will permit Shanshi to market, pending final regulatory approvals, the company's newest <u>TL-300</u> throughout China, Taiwan, and Hong Kong. Under terms of the 5-year exclusive supply relationship, the parties have agreed on cumulative orders of up to \$US 40 million.

Shanshi will initially target the T-line into the Chinese operating room (OR) and intensive care unit (ICU) markets. The T-Line technology platform accurately and continuously captures a patient's beat-to-beat waveform and blood pressure in a completely non-invasive fashion, providing physicians with a stream of real-time hemodynamic data that is not possible using traditional non-invasive blood pressure (cuff) devices. Avoiding the blind-time associated with a deflated or inaccurate cuff can enhance hemodynamic monitoring, which has been definitively linked to improved clinical outcomes.

"The TL-300 represents the future of hemodynamic monitoring in the Chinese market" commented Dr. Xiaodong Du, Shanshi's General Manager. Dr. Du added "Our pre-marketing efforts have validated our belief that the T-Line can make a dramatic impact in the Asia-Pacific hemodynamic monitoring markets and Shanshi expects to begin full marketing efforts throughout China in 2013."

The newest generation TL-300 features a tablet supported monitor that allows touch screen control and displays a patient's key hemodynamic parameters. In addition to continuous beat-to-beat blood pressure and arterial waveform, the operator is readily able to view trend data for up to a 12-hour period. The tablet displays data coming from an integrated bracelet, sensor, and wrist frame placed over the patient's radial artery. The wrist frame is disposed at the end of the case and the bracelet and sensor are immediately available for the next patient.

"We are delighted to partner with Shanshi to commercialize our T-line platform in the Chinese critical care marketplace," commented Dr. Eric Daniels, Tensys' Vice President, Sales & Marketing. According to Dr. Daniels, "We are confident that the T-Line has a bright future in the Asia-Pacific region and believe our relationship with Shanshi strengthens our worldwide leadership position in the field of non-invasive hemodynamic monitoring."

Tensys will be an exhibitor at the upcoming 2013 International Symposium on Intensive Care and Emergency Medicine (03/19/13—03/22/13, Brussels, Belgium), and management will be available to provide an update on the company's planned next-generation products and related corporate and strategic initiatives. For additional details, please visit <u>www.tensysmedical.com</u> and/or contact Dr. Eric Daniels, Vice President, Sales & Marketing (<u>edaniels@tensysmedical.com</u>).

About Tensys

Tensys Medical, Inc. is a leader in the development and commercialization of continuous, non-invasive, hemodynamic monitoring systems. Without a single needle stick, the company's FDA approved and CE-Marked T-line technology is used today in hospital operating rooms, ICUs and electrophysiology labs to provide a patient's real-time pulse pressure waveform and blood pressure. With the future addition of advanced hemodynamic parameters, Tensys is positioned to continue its leadership in the growing, non-invasive, hemodynamic marketplace.

Cautionary Statement Regarding Forward-Looking Statements

This press release may include "forward-looking statements" intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally can be identified by phrases such as "will," "can," "represents," "confident," "bright future," "believe," "positioned," "provide," or other words or phrases of similar import that are intended to identify forward-looking statements. Similarly, statements herein that describe Tensys Medical's business strategy, outlook, objectives, plans, intentions, or goals also are forward-looking statements. All such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those in forward-looking statements, including: the clinical and commercial potential and success of the company's TL-300 product and T-Line product line; the likelihood and achievement of regulatory and marketing clearance for the company's TL-300 product in the People's Republic of China and the other jurisdictions covered in this release, general economic and business conditions; and other risks and important factors that could cause actual results to differ materially from the forward-looking statements. The forward-looking statements included in this press release are made only as of the date of this announcement, and Tensys Medical undertakes no obligation to update the forward-looking statements to reflect subsequent events or circumstances after the date on which they were made.

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