

Press Release
Västra Frölunda, Sweden, August 3, 2010

ARTIMPLANT INTERIM REPORT JANUARY – JUNE 2010

- Net revenue for the second quarter amounted to SEK 5.1 million (7.9) and for the first six months SEK 9.8 million (12.8).*
- The net loss for the second quarter totaled SEK 5.0 million (4.1) and for the first six months SEK 9.8 million (8.6).
- Earnings per share for the second quarter amounted to SEK -0.08 (-0.07) and for the first six months SEK -0.16 (-0.14).
- Artimplant's own sales continued to increase and were equivalent to 62% (27) of product sales for the second quarter and 57% (26) for the first six months.
- Artimplant's own sales in the USA have tripled compared with the second quarter and the first six months of 2009.
- Sales of Artelon[®] Spacer for the second quarter totaled SEK 2.2 million (4.7) and for the first six months SEK 4.8 million (8.2). Sales of Artelon[®] Spacer via the Company's licensee fell to a significantly lower level than during the corresponding period in 2009.
- Sales of Artelon[®] Tissue Reinforcement for the second quarter amounted to SEK 2.4 million (3.1) and for the first six months SEK 4.5 million (4.4). During the first six months no sales took place to Biomet Sports Medicine, which sold from its existing inventory.

Events after the period-end

- The Board of Directors has decided to focus Artimplant's strategy more firmly on marketing with increased intensity in own sales in the USA, which will give rise to a further need for capital.
- The Board of Directors has decided to implement a significant reduction in costs not related directly to marketing and sales in Artimplant AB.
- The Board of Directors has decided to implement a rights issue, which is expected to generate capital input for the Company of SEK 40 million. The issue is subject to approval at an extraordinary meeting of the stockholders. It is the ambition of the Board of Directors that the majority of the issue will be secured through declarations of intent and guarantee undertakings.
- Subscription commitments and guarantee undertakings from the Board of Directors and senior management total just over SEK 5 million.
- The Company has revised its cash flow target and the aim now is that a positive cash flow before changes in working capital will be achieved on a monthly basis during the second half of 2011 (previously the target was "by the end of 2010").

N. B. This is a translation from Swedish. The Swedish version shall always take precedence.

Artimplant will hold a telephone conference by reason of this report on August 3, 2010 at 3 pm (CET). For further information see www.artimplant.com.

* Figures in brackets refer to the corresponding period last year



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Artimplant

Artimplant's mission is to restore the health of patients by offering medical professionals degradable implants that help the body to heal. Artimplant is a medical technology company that restores health through the development, production and marketing of degradable implants that regenerate body functions and improve quality of life. Our products are made from Artelon[®], a biomaterial developed by the Company. Artimplant produces implants for the treatment of osteoarthritis and the reinforcement of weakened soft tissue. The Company's products are sold through licensees and own sales under the Artimplant brand take place through agents and distributors. Artimplant is a public company listed on the NASDAQ OMX Stockholm Exchange in the Small Cap segment and in the Healthcare sector.

Forward-looking statements

This press release contains forward-looking statements as defined in the U.S. Private Securities Litigation Reform Act of 1995. Readers are cautioned not to place undue reliance on these forward-looking statements. Actual results may differ materially from those indicated by these forward-looking statements as a result of risks and uncertainties impacting the Company's business including increased competition; the ability of the Company to expand its operations and to attract and retain qualified professionals; technological obsolescence; general economic conditions; and other risks detailed from time to time in the Company's filings.

IMPORTANT INFORMATION

This press release does not contain and does not constitute an offer to subscribe for shares in Artimplant AB ("Artimplant"). A prospectus regarding the new share issue that is presented in this press release will be drawn up and submitted to the Swedish Financial Supervisory Authority (Sw. Finansinspektionen). When the Swedish Financial Supervisory Authority has approved and registered the prospectus, it will be disclosed and published on, inter alia, Artimplant's website.

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