

Surgical Innovations (SI) is pleased to announce that it has signed an eight-year exclusive distribution agreement with CareFusion, a leading, global medical device company, for its new advanced *PretzelFlex*® laparoscopic retractor in the US.

Under the distribution agreement, CareFusion has acquired exclusive US rights to *PretzelFlex*® for eight years. This replaces the existing licensing agreement for the *Diamond-Flex*® which is due to end in 2012 and is based on minimum contracted volumes.

The patented *PretzelFlex*® has been developed by SI for the effective retraction or repositioning of large organs, such as the liver, to provide proper access and visualisation during complex minimally invasive surgery (MIS). A common use of the device is in the retraction of the liver during a gastric bypass. For this type of operation the liver must be moved (retracted) in order to obtain access to the upper stomach. The *Pretzel-Flex*® makes it much easier for doctors to retract large or swollen livers that are common in obese individuals.

The device will be manufactured by Surgical Innovations for CareFusion and it will be marketed in the U.S. under the CareFusion brand. SI retains the right to manufacture and distribute the device, under the SI brand in all other markets, with an SI branded *PretzelFlex*® already successfully launched in Europe.

The *PretzelFlex*® generated significant interest from US surgeons at the recent SAGES congress (Society of American Gastrointestinal and Endoscopic Surgeons) in San Diego, and having received 510(k) clearance from the US Food and Drug Administration ('FDA') in March 2012 this deal ensures continuous revenue streams in an already established market.

Graham Bowland, Chief Executive Officer of SI, said: "*Confirmation of this latest agreement with CareFusion affirms a long standing and successful partnership and gives us increased exposure to a growing US market for innovative MIS products.*"