



Axiomed Attracts Follow On Funding

New Institutional Venture Firm Joins Investors Group

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Cleveland, OH, September 30, 2003—Early Stage Partners, L.P., Northeast Ohio’s most active early stage venture capital fund, is pleased to announce that Axiomed Spine Corporation has attracted an additional \$500,000 million in Series A funding from MB Ventures, of Memphis, bringing the Series A to \$3,250,000

The additional funding will provide the Company with more leeway as it focuses on completing and testing its synthetic discs. Axiomed is developing a polymer spinal disc replacement that is intended to restore the native motion of the spine. Spinal fusion, the treatment currently used most commonly when spinal discs degenerate, has been shown to have limitations as a long-term treatment. The spinal implant segment has been one of the most active medical device acquisition markets in recent years as a new generation of technologies is developed.

MB Ventures is an early stage venture capital firm with particular focus and expertise in musculoskeletal technologies. Early Stage Partners co-led the original investment in Axiomed earlier this year with CID Equity Partners, Indianapolis. Other investors include Primus Venture Partners, Cleveland, and Reservoir Venture Partners, Columbus.

“Attracting MB Ventures to Axiomed is a strong endorsement of the Company’s technology and further reinforces a strong investor group,” commented John DeFord, Managing Director, Early Stage Partners. “The principals of MB Ventures have specific experience in spinal technologies and their commitment reinforces our original analysis that Axiomed has great potential as an investment,” said Mr. DeFord, who led the transaction for Early Stage Partners.

“The addition of MB Ventures further supports the objective of Early Stage Partners to attract more institutional capital to Northeast Ohio’s most promising early stage companies, contributing to the region’s attractiveness to companies and growing the base of skilled jobs. The five venture firms who now are investors in Axiomed have the ability to provide the Company with follow-on financing as it becomes needed. In today’s capital markets, being able to mitigate financing risk is critical to any investment,” he said.

About Early Stage Partners LP

Early Stage Partners LP is an early stage venture capital fund based in Cleveland, Ohio. The company invests primarily in promising opportunities in the life sciences, polymers and advanced materials, information technology and advanced manufacturing. The company's principals have over ninety years combined experience in early stage company formation and development, with a significant network of relationships throughout the United State that can be used to attract management, develop strategic partnerships, and provide later stage funding.