

News Release

CVRx[®], Inc. Closes \$84 Million Financing



Proceeds to Advance Clinical Trials and Product Development, Prepare for Commercialization and Launch New Therapeutic Initiatives

Two-Year Patient Results Show Sustained Reduction in High Blood Pressure

Minneapolis – July 30, 2008 – CVRx, Inc., a private medical device company, has completed a fifth round of private equity financing totaling \$84 million. The company has developed the Rheos[®] System, the only implantable device designed to control hypertension, or high blood pressure, a leading cause of heart and kidney disease, stroke and death. This device is intended to provide a new treatment option for the millions of people who cannot control their hypertension with medications. The Rheos System received CE Mark approval in Europe and is being evaluated in a global pivotal trial designed to obtain FDA approval.

CVRx plans to use the funding to complete the hypertension pivotal trial, as well as for product development and building a sales and marketing organization in anticipation of product launch. In addition, CVRx will launch clinical research initiatives in the use of Rheos for the treatment of heart failure. Heart failure affects 5 million patients in the United States.¹

New Enterprise Associates, Inc. (NEA) and Johnson & Johnson Development Corporation were the co-lead investors. Other participants in this round included existing investors BBT Fund L.P., Thomas Weisel Healthcare Venture Partners, InterWest Partners, Frazier Healthcare Ventures and SightLine Partners. With this financing, the total investment in CVRx exceeds \$209 million.

“The continuing support of our investors is a strong vote of confidence in our team, our technology, our results to date and our future market opportunities,” said Nadim Yared, CVRx president and CEO. “We are especially optimistic about the two-year patient results, which showed a significant and sustained reduction in blood pressure. We are also encouraged by the early data on improved heart function with Rheos therapy. Hypertension and heart failure are complex conditions, and we are hopeful our technologies will provide much-needed new treatment alternatives for patients around the world.”

Two-Year Hypertension Data Show Sustained Patient Outcomes

The first-available two-year data from the European clinical trial evaluating the Rheos System were presented in June 2008 at an international hypertension conference in Berlin. Two-year results showed that systolic blood pressure, a leading indicator of patient risk, was reduced by an average of 35 mmHg (191 mmHg vs. 156 mmHg), and

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diastolic blood pressure declined by an average of 24 mmHg (116 mmHg vs. 92 mmHg among patients who completed two years of Rheos Therapy. Similar results were found at three months and one year.²

Rheos Therapy Results Demonstrate Improved Heart Function

Additional data from the European and U.S. feasibility studies presented at the Berlin conference showed heart function was notably improved. Blood pressure was reduced significantly and left ventricular hypertrophy (LVH) significantly regressed.³ LVH, a process in which the heart becomes enlarged and does not work efficiently, increases the risk of heart attacks, heart failure and sudden cardiac death, and regression of LVH reduces these risks.

The Rheos System: Working with the Body's Own Mechanisms to Reduce High Blood Pressure and Treat Heart Failure

The Rheos System uses the CVRx-patented Baroreflex Activation Therapy™ technology that is designed to activate the carotid baroreceptors, central components of the body's natural cardiovascular regulation system. When the baroreceptors are activated, signals are sent through neural pathways to the brain and interpreted as a rise in blood pressure. The brain works to counteract this perceived rise in blood pressure by sending signals to other parts of the body (heart, blood vessels and kidneys) that relax the blood vessels and inhibit the production of stress-related hormones. These changes enable the heart to increase blood output, while maintaining or reducing its workload, thereby reducing blood pressure when it is elevated and alleviating the symptoms of heart failure.

The Rheos System includes the following components:

- A small pulse generator that is implanted under the collar bone;
- Two thin lead wires that are implanted at the left and right carotid arteries and connected to the pulse generator; and
- The Rheos Programmer System, an external device used by doctors to non-invasively regulate the activation energy from the generator to the lead wires.

About Hypertension

Hypertension causes an estimated one in eight deaths worldwide.³ In the United States alone, high blood pressure affects approximately 73 million people.³ Approximately 25 percent of people with hypertension cannot control their high blood pressure, despite the use of multiple medications.^{4,5} Each incremental increase of 20 mmHg in systolic blood pressure or 10 mmHg in diastolic blood pressure above normal levels is associated with a two-fold increase in death rates from stroke, coronary heart disease and other vascular causes.^{4,5}

About the Co-Lead Investors

NEA, founded in 1978, is a leading venture capital firm focused on helping entrepreneurs create and build major new enterprises. NEA focuses on investments at all stages of a company's development, from seed stage through IPO. With approximately \$8.5 billion in committed capital across its affiliated funds, NEA's experienced management team has invested in over 600 companies. For additional information, visit www.nea.com.

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Organized in 1973, Johnson & Johnson Development Corporation (JJDC) is the venture capital subsidiary of Johnson & Johnson. JJDC makes private equity investments in venture funded health care companies. Portfolio companies include those in the fields of pharmaceuticals, biotechnology, medical devices, diagnostics and consumer products. JJDC also leads and manages internal investments in selected promising technologies. For more information, go to www.jjdevcorp.com.

About the Rheos Hypertension Pivotal Trial

CVRx received investigational device exemption (IDE) approval from the FDA to conduct the Rheos Pivotal Trial to evaluate the safety and effectiveness of the Rheos System. The trial is also evaluating the effectiveness of the Rheos System when medications change. The trial is currently enrolling patients at multiple clinical sites in the United States and in Europe. Prospective patients can call (888) 8BP-RISK (888-827-7475) or visit www.bloodpressuretrial.com, to learn more about the clinical trial.

About CVRx, Inc.

CVRx, a private company located in Minneapolis, has developed the first proprietary active implantable technology to treat high blood pressure. For more information, visit www.cvr.com.

Editor's Note: Blood pressure is typically recorded as two numbers – the systolic pressure (top number) over the diastolic pressure (bottom number). The systolic pressure is the pressure of blood in the vessels when the heart contracts. Diastolic pressure is the pressure of the blood between heartbeats, when the heart is at rest and is refilling.

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Footnotes:

¹ Heart Disease and Stroke Statistics. American Heart Association – 2008 Update.

² Journal of Hypertension 2008;26(Suppl 1):S19.

³ Journal of Hypertension 2008;26(Suppl 1):S471.

⁴ Lancet 2002;360:1903-1913.

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⁵ JAMA 2003;289:2560-2572.

CAUTION: CVRx Rheos System is an investigational device and is limited by Federal (or United States) law to investigational use only.

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