



August 17, 2011

Ceremed, Inc. (Los Angeles) announced today that it has entered into a definitive agreement to sell its Ostene® brand bone hemostasis product line to Baxter International Inc. The agreement provides for Baxter to acquire all rights to the Ostene® brand, including manufacturing.

Founded in 2002, Ceremed is a privately held medical device company focusing on the design and development of medical materials, utilizing their proprietary AOC PolymerBlend™ technology. Ceremed has successfully commercialized applications ranging from coatings and carriers to bone hemostasis. Based on the proven safety, efficacy and versatility of the AOC PolymerBlend™ technology, Ceremed looks forward to the continued development and innovation of products that meet the needs of today's surgeons.

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“We are very pleased that Baxter has agreed to acquire the Ostene® brand.” said Tadeusz Wellisz, M.D., chairman of Ceremed.

With the divestiture of both the marketing and manufacturing of Ostene®, Ceremed will free up assets needed to focus on bringing new products to market that will meet the demands of patients and device manufacturers alike. “This is a great opportunity for Ceremed to take the next step to becoming a major player in the biomaterials market,” noted Bill Lamm, president of Ceremed.

Details of the financial terms of the agreement are not being disclosed. For further information regarding Ceremed or its products, please contact Kim Nolan at 424-258-1891 or knolan@ceremed.com.