

## ALPHATEC SPINE, INC. CELEBRATES PHENOMENAL GROWTH

**F**ounded in 1990 as a contract medical device manufacturer, **Alphatec Spine, Inc.** (Carlsbad, CA) has transformed itself into a leading independent medical device company in both North America and Japan. Alphatec Spine is distinguished among independent spinal implant companies because it engineers, prototypes and manufactures all its own products. Alphatec Spine offers a broad range of spinal products and systems comprised of components such as spine screws, spinal spacers and plates, and develops and acquires additional products to advance the science of spine surgery to the next generation. Additionally, as an alternative to metal and synthetic materials, Alphatec Spine also distributes a variety of allograft spacers to be used in spine fusion.



In March 2005 Alphatec Spine was purchased by a group of investors led by the New York private equity firm HealthpointCapital LLC. With this move came an infusion of capital and a heightened commitment to innovation, surgeon relationships and services. In the past year, industry veteran Ronald G. Hiscock, President and Chief Executive Officer of Alphatec Spine, recruited a highly motivated and experienced management team with a proven track record. He then assembled a group of clinical experts to serve as the

company's Scientific Advisory Board. The company adopted the name Alphatec Spine to reflect its fifteen-year evolution from a contract medical device manufacturer to a vertically-integrated spinal device company. Later in 2005, the management team enhanced the product line by acquiring the allograft assets of Cortek, Inc. a company that developed and sold allograft implants for spinal interbody fusion.

Alphatec Spine attributes its excellence in spinal technology to the implementation of innovation that is driven by its "Surgeon's Culture." With its unique on-site manufacturing capability, Mr. Hiscock notes that Alphatec Spine has "the ability to collaborate with surgeons on a one-on-one basis—from initial concept through design, engineering and manufacturing—to build customized products to meet their special needs. We offer among the industry's fastest turn around time on innovative and custom products for surgeons."

Alphatec Spine currently has five facilities, four in Carlsbad, CA and one in Dedham, MA. It will have completed a Research and Design center by Fall of 2006. Mr. Hiscock stated that Alphatec Spine's headquarters will remain in the

Carlsbad and continue to expand. In February 2006, Alphatec Spine entered into a private label distribution agreement with Sea Spine, Inc. for the sale of Sea Spine's Cross Link® adjustable bridge product under Alphatec Spine's private label. In July 2006, Alphatec Spine announced that it received 510(k) clearance from U.S. FDA allowing it to market such adjustable bridge product. This will allow Alphatec Spine to begin the immediate commercial sale of its private label adjustable bridge, which will be used in combination with Alphatec Spine's Zodiac® line of polyaxial pedicle screws.


In May 2006, Alphatec Spine signed an exclusive licensing agreement with Hansen A. Yuan, M.D. for commercial development of patented technology for dynamic cervical plating systems. Mr. Hiscock noted, "We are committed to providing our surgeons with alternatives and unique approaches."

Also in July 2006, Alphatec Spine announced that it signed a

private label distribution agreement with IsoTis OrthoBiologics for distribution of IsoTis's demineralized bone matrix ("DBM") products under Alphatec Spine's brand name. These well-established DBM products, currently sold under the IsoTis brand names of DynaGraft® II and OrthoBlast® II, have osteo-inductive properties which stimulate new bone formation and can be used in combination with traditional spinal implants to stabilize the spine following spine fusion procedures.

Marked by incredible growth in both revenues and personnel in the past year, Alphatec Spine is among the fastest growing spine companies in the world. Because of increased surgeon utilization, its broadening product line, innovative technologies and enhanced sales organization, it has been able to drive a revenue increase of 133 percent to \$19.4 million for the second quarter ended June 30, 2006, over the prior year's second quarter revenue of \$8.3 million. When Alphatec Spine was purchased in March of 2005 by

HealthpointCapital, the number of employees was approximately 70. As of August 2006, this number has grown to approximately 250. In June, Alphatec Holdings, Inc., the parent corporation of Alphatec Spine, completed its initial public offering and currently trades on the NASDAQ Global Market under the symbol "ATEC."

In addition to Alphatec Spine's U.S. presence, it also participates in the Japanese spine fusion and orthopedic trauma markets through its subsidiary, Alphatec Pacific, Inc. 

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For more information concerning Alphatec Spine, Inc. and its products, please call 1-800-922-1356; or contact an Alphatec Spine representative at NASS, booth #1816; visit the company's Web site at [www.alphatecspine.com](http://www.alphatecspine.com).