



FOR IMMEDIATE RELEASE

Inspire Medical Systems Secures \$14.5M in Series C Financing, Completes Implants in its STAR Pivotal Trial, and Announces Publication of Feasibility Study Results

Minneapolis, MN – May 11, 2012 – [Inspire Medical Systems](#), the leading developer of neurostimulation therapies for the treatment of [obstructive sleep apnea \(OSA\)](#), provided an update today on four important company initiatives:

- **Inspire completed a Series C financing round of \$14.5 million.**
- **Inspire completed patient enrollment and device implants in its STAR pivotal trial.**
- **Inspire announced the publication of its feasibility study results in the May 2012 edition of the Laryngoscope journal.**
- **Inspire conducted commercial implants in Germany, Italy and The Netherlands.**

Inspire has completed a Series C financing round of \$14.5 million. The funds will be used to support clinical trial patient follow-up, U.S. regulatory submissions, and expansion of commercial activities in Europe. Participating in this round of financing are new investors, Medtronic and TGap Ventures, and existing investors, including Kleiner Perkins Caufield & Byers, US Venture Partners, Synergy Life Science Partners and GDN Holdings.

Inspire also announced the completion of patient recruitment and device implants in the [STAR pivotal trial](#) (Stimulation Therapy for Apnea Reduction). The [STAR trial](#) is a multi-center study that is evaluating the safety and effectiveness of [Inspire® Upper Airway Stimulation \(UAS\) therapy](#) in patients with moderate to severe obstructive sleep apnea (OSA). The STAR trial is being conducted at leading medical centers across the United States and Europe. All implanted patients are being closely followed, and the results of this study will be the basis for a Pre-Market Approval (PMA) application to the FDA which is targeted for early 2013.

Additionally, Laryngoscope, the journal of the American Laryngological, Rhinological and Otological Society published in its May issue the results of two earlier clinical trials conducted by Inspire investigators. The publication reported that Inspire® Upper Airway Stimulation (UAS) therapy is safe and efficacious in a select group of patients with moderate to severe OSA who cannot or will not use CPAP as primary treatment. The abstract of the study titled, Implanted upper airway stimulation device for obstructive sleep apnea, is available [here](#).

“Inspire has broadened its investor base, finished enrollment in its STAR pivotal trial, and completed commercial implants in three European countries,” said Dr. Glen Nelson, Chairman of the Board of

Inspire Medical Systems. “Achievement of these critical milestones is a testament to the experience and ability of Inspire’s leadership team.”

Inspire previously announced receipt of its CE Mark in 2010, and to date has completed commercial implants in Germany, Italy and The Netherlands. Inspire has a strong European team focused on the broader adoption of Inspire therapy in Europe.

“Obstructive Sleep Apnea is a prevalent disorder affecting over 15 million people in The United States alone. A substantial number of these patients are unable to achieve consistent benefit from conservative therapies. The swift enrollment of our STAR pivotal trial demonstrates the significant interest that patients have in Inspire therapy. It also reflects the strong commitment our physician investigator group has made to develop this promising therapy,” said Tim Herbert, President and CEO of Inspire Medical Systems. “Our focus now is to gain regulatory approvals and to secure reimbursement mechanisms so that this patient group will have access to our breakthrough technology.”

About Obstructive Sleep Apnea (OSA)

OSA is characterized by repeated episodes of upper airway collapse during sleep. Patients with OSA stop breathing frequently during their sleep (apnea), often for a minute or longer. Fragmented sleep with recurrent awakening, called arousals, leads to daytime sleepiness and fatigue. Depending on the degree of severity, OSA can be a potentially life-threatening condition. Recent research suggests that a person with undiagnosed sleep apnea or a person that is noncompliant to treatment of their sleep apnea is at increased risk for: heart attack, stroke, weight gain, high blood pressure and heart failure.

About Inspire[®] Upper Airway Stimulation (UAS) Therapy

Inspire Upper Airway Stimulation (UAS) therapy is a dynamic, implantable therapy that works with the body’s natural physiology to prevent airway obstruction during sleep. While the patient sleeps, Inspire therapy is designed to deliver mild stimulation to the hypoglossal nerve synchronous with each breathing cycle. The stimulation is delivered to the muscles that control the base of tongue, preventing the tongue from collapsing and obstructing the airway. Patients are able to activate the Inspire therapy using a handheld programmer. In contrast to other surgical procedures to treat sleep apnea, Inspire therapy does not require removing or permanently altering an OSA patient’s facial or airway anatomy.

About Inspire Medical Systems

Inspire Medical Systems, based in Minneapolis, Minnesota, is the world’s leading developer of innovative, implantable neurostimulation technologies to treat Obstructive Sleep Apnea (OSA). Utilizing well-established technologies from the fields of cardiac pacing and neurostimulation, Inspire has developed a proprietary Upper Airway Stimulation (UAS) therapy for patients who suffer from OSA. Inspire was formed in 2007 when the technology and a significant intellectual property portfolio was spun-out of Medtronic (NYSE: MDT). Inspire therapy is designed to significantly reduce the negative effects of sleep apnea and restore restful sleep to patients suffering from this challenging condition. Visit Inspire Medical Systems on the web at www.inspiresleep.com.

Caution – INVESTIGATIONAL DEVICE, LIMITED BY FEDERAL (OR UNITED STATES) LAW TO INVESTIGATIONAL USE.

The Inspire system is an investigational device and is not currently for sale in the U. S.