

FOR IMMEDIATE RELEASE:

Broncus Reports Early EASE Trial Results for Airway Bypass with Exhale® Drug-Eluting Stents

MOUNTAIN VIEW, CA, NOVEMBER 17, 2009 – Broncus Technologies, Inc., a medical technology company focused on developing and commercializing innovative solutions for lung diseases, is announcing early results of the EASE (Exhale Airway Stents for Emphysema) Trial, the first ever, double-blinded, randomized, sham-controlled device study for patients with emphysema/COPD. The EASE Trial, which was designed to evaluate the safety and effectiveness of the Airway Bypass procedure with Exhale Drug-Eluting Stents, did not meet the 6 month co-primary endpoints of improving forced vital capacity (FVC) and modified Medical Research Council (mMRC) dyspnea score when compared to controls, though mMRC alone did show statistically significant improvement.

Trial results demonstrated strong proof of Airway Bypass' mechanism of action. Analysis of those subjects who met the co-primary endpoints showed that a residual volume (RV) reduction greater than 500mL is a key predictor for success. RV reductions greater than 500mL post-treatment and at 1 month, correlated with statistically-significant improvements in multiple pulmonary function and emphysema symptom endpoints. More than 40% of treated subjects achieved this degree of RV reduction post treatment. Treatment effects were not significant if the initial RV reduction was less than 500mL. The Company is actively analyzing the EASE Trial database and CT data to optimize procedural success.

“While we are disappointed that we did not win both of the co-primary endpoints of this trial, we are pleased to see the significant long term improvement in mMRC and the RV subset data, both of which corroborate the mechanism of action of Airway Bypass. We expect this rich and growing data set, along with our LungPoint™ Virtual Bronchoscopic Navigation system, will help us further improve the Airway Bypass treatment algorithm,” said Cary Cole, President and CEO of Broncus Technologies.

Airway Bypass is a minimally-invasive bronchoscopic procedure designed to reduce lung hyperinflation (RV) and shortness of breath, the clinical hallmarks of emphysema/COPD. During the procedure, new openings are created in the airway walls, which then connect the damaged lung tissue to the natural airway. By bypassing the collapsed airways, air that was trapped has a way to exit the lungs. The Exhale Drug-Eluting Stent is designed to support these extra-anatomic pathways.

Participants in the EASE Trial were randomized two-to-one into treatment and control groups. While subjects in the treatment group received the Airway Bypass procedure, the control group underwent bronchoscopy but did not receive the stents. The prospectively-defined clinical endpoints were Forced Vital Capacity (the amount of air that can be exhaled in a single breath) and the modified Medical Research Council score, a measure of the impact of breathlessness on quality of life. Six months after treatment, participants who had clinically significant improvements in both these measurements were considered a responder. The responder rates for the treatment and control groups were then analyzed for statistically significant difference. 315 patients were enrolled at more than 40 leading lung centers worldwide. Post hoc analysis is ongoing to determine stent placement patterns associated with improved pulmonary and functional outcomes.

About Emphysema

Emphysema, a component of COPD, is a chronic, progressive, and irreversible lung disease characterized by the destruction of lung tissue. The loss of the lungs' natural elasticity and the collapse of airways in the lung combine to make exhalation ineffective, leaving emphysema sufferers with hyperinflation because they are unable to get air out of their lungs. Breathing becomes inefficient and patients have to work very hard just to breathe – making normal activities, like walking, eating or even bathing, difficult. There are currently no medical devices approved for the treatment of patients with homogeneous emphysema, who constitute the majority of emphysema patients. The only treatment option available to them is lung transplantation, which is associated with a high morbidity and mortality.

About Broncus Technologies, Inc.

Broncus Technologies is a medical technology company focused on developing and commercializing innovative solutions for lung diseases. With our **LungPoint™** Virtual Bronchoscopic Navigation system, physicians can plan bronchoscopic procedures and navigate to locations in the lungs accurately and quickly. Our line of **Yield™** catheters are used to obtain biopsy samples and detect blood vessels. Our patented treatment method, **Airway Bypass** using **Exhale® Drug-Eluting Stents**, is being investigated to determine if it can provide the first minimally-invasive treatment option for homogeneous, or diffuse, emphysema, the form of the disease experienced by the majority of emphysema patients. For more information visit www.broncus.com.

Editors Notes

For more information on the EASE Trial or Broncus Technologies, please contact Meghan Oreste at 617-823-1441 or moreste@comcast.net.