



## **Third Mobile Ablatherm-HIFU Device to Start Service in Germany; Ongoing Growth**

### **Increasing Sites and Utilization Rate Necessitates Third Unit; Market More Than Double Prior Year**

**Lyon, France, August 1, 2006 - EDAP TMS S.A. (Nasdaq: EDAP)** the global leader in High Intensity Focused Ultrasound treatment of prostate cancer will be placing a third mobilized Ablatherm-HIFU device early September to serve the growing needs of the German market under its innovative revenue-per-procedure model. Ablatherm-HIFU is recognized as the most advanced HIFU device available for localized prostate cancer with more than 10 years of treatment experience, more than 105 sites worldwide and more than 10,000 patients treated. The company has been accelerating its growth in treatments through increasing use of the RPP model, which allows medical centers to adopt Ablatherm-HIFU technology in offering a noninvasive treatment for localized prostate cancer with almost no financial risk. In Germany, treatments under the RPP model have more than doubled from the prior year due to increasing adoption of this technology for treatment of nonsurgical prostate cancer patients.

EDAP presently has 26 mobile sites in Germany served by two shared units, the second of which was added in July 2005. RPP treatments through the first six months increased 103% to 310 procedures. EDAP has, on average, been adding at least one new site per month in the German market as the popularity of Ablatherm-HIFU spreads. This rapid growth rate necessitates the third unit to enter service in September. Treatments are already being booked on the device. EDAP recently announced new funds raised to support marketing and growth strategies in key European markets in addition to ongoing efforts presently directed by the company. The company plans to hire additional staff to meet the growing sales and marketing demand in the German market and expand the company's growth strategy. In addition, the company has retained the support of a German public relations firm to assist in broadening awareness of Ablatherm-HIFU and assist in launching the centers offering Ablatherm-HIFU therapy, which is reimbursed under the German health plan.

EDAP recently announced the formation of a German subsidiary in response to the strong market growth already demonstrated and future expectations of continued growth. The company also now has 8 reference physicians supporting the company's best-in-class training program pairing new users with experienced professionals to allow for complete training in HIFU techniques with just 10 to 15 patients as compared to 50 to 150 treatments for training in most traditional therapies. By pairing the Ablatherm's advanced technology with an experienced user, the trainee urologist can achieve rapid proficiency with full confidence in achieving consistent success in line with the published data on Ablatherm-HIFU.

"The German urology community has been very supportive of Ablatherm-HIFU based on its strong clinical background of more than 10 years and significant benefit potential for many patients," said Judith Johannsen, Managing Director of EDAP GmbH. "The Ablatherm-HIFU device has the most extensive research profile of any HIFU device, much of it compiled at leading urology centers in Germany. Additionally, once physicians learn of the rapid recovery and low side effects experienced by patients choosing to pursue Ablatherm care, it becomes a logical choice to include in the treatment considerations they offer to the patient.

EDAP will participate in the upcoming DGU (German Urology Association) meeting in mid-September and is participating in ongoing workshops and symposia organized by hospitals and clinics across Germany to discuss prostate cancer and advances in its treatment. Urologists using the Ablatherm-HIFU device present frequently at these events sharing the success of Ablatherm-HIFU in bringing highly effective treatment of localized prostate cancer to patients desiring low side effects and minimal disruption in their quality of life. EDAP is also working closely with patient associations to provide educational information about HIFU treatment so patients can more fully explore their choices when diagnosed with prostate cancer.

"We continue to see strong growth in the German market in the revenue-per-procedure business which allows almost immediate access to Ablatherm-HIFU technology with almost no upfront investment by the clinic aside from the training program time," said Hugues de Bantel, CEO of EDAP. "The German market has been a strong adopter of Ablatherm-HIFU technology based on its clinical excellence and attractiveness to patients who are increasingly concerned with preserving their quality of life when considering therapeutic option for a cancer diagnosis. We continue to increase our marketing efforts directed to bringing online more physicians who offer Ablatherm-HIFU as well as support our user base with educational marketing efforts to make patients aware of the choices they have for government covered prostate cancer therapy including Ablatherm-HIFU. We are seeing strong growth in adoption by physicians and increasing utilization as Ablatherm-HIFU becomes a regular therapy for many urologists when counseling their nonsurgical patients regarding treatment options for localized prostate cancer."

**About EDAP TMS S.A.**

EDAP TMS S.A. develops and markets Ablatherm, the most advanced and clinically proven choice for High Intensity Focused Ultrasound (HIFU) treatment of localized prostate cancer. HIFU treatment is shown to be a minimally invasive and effective treatment option with a low occurrence of side effects. Ablatherm-HIFU is generally recommended for patients with localized prostate cancer (stages T1-T2) who are not candidates for surgery or who prefer an alternative option or patients who failed radiotherapy treatment. The company is also developing this technology for the treatment of certain other types of tumors. EDAP TMS S.A. also produces and commercializes medical equipment for treatment of urinary tract stones using Extracorporeal Shockwave Lithotripsy (ESWL).

For more information on the Company, contact Halliburton Investor Relations at (972) 458-8000, the Corporate Investor Relations Dept at +33 (0)4 78 26 40 46 or see the Company's Web sites at <http://www.edap-tms.com> and <http://www.hifu-planet.com>.