Uroplasty Announces Product Development and New Clinical Trial Initiatives

The Associated Press

Uroplasty, Inc.

(NASDAQ:UPI), a medical device company that develops, manufactures and markets innovative proprietary products for the treatment of patients with voiding dysfunctions, today announced two new research and development initiatives to expand its commitment to using the Company's neuromodulation technology to treat voiding dysfunctions.

"We will begin development of an implantable tibial nerve stimulator for the treatment of overactive bladder (OAB), and conduct a pilot study in the U.S. for the treatment of fecal incontinence using our Urgent PC Neuromodulation System," said David Kaysen, Chief Executive Officer and President of Uroplasty, Inc. "These two new programs are an integral part of our vision to provide innovative solutions for the treatment of voiding dysfunctions. These initiatives utilize our intellectual property portfolio to address unmet treatment needs of many patients and are consistent with our mission to work with specialty physicians focusing on the treatment of voiding dysfunctions of all types." The development project, based on a patent the Company holds, of an implantable tibial nerve stimulator for the treatment of OAB is focused on securing a CE Mark for the European market. The Company expects the success of its Urgent PC Neuromodulation System, which delivers percutaneous tibial nerve stimulation (PTNS) by the temporary insertion of a needle electrode, will provide insight into the design and clinical elements of an implantable device. The implantable device will allow patients who initially respond to Urgent PC therapy administered in the doctor's office, to continue self-administering the therapy in the comfort of their homes.

"Physicians have been asking us for a small, easy to insert, implantable tibial nerve stimulation system as a way to effectively continue treating patients who have positively responded to Urgent PC therapy. Because this is a chronic condition with no cure, we anticipate this new product idea will allow for a unique continuum of care for these patients. This multi-year effort will begin initially in Europe where we have past experience with potential partners and sets the stage for further clinical studies for regulatory and reimbursement work for the U.S. market," said Mr. Kaysen.

Beginning in the late summer of 2012, Uroplasty will conduct a pilot clinical trial in the U.S. for the treatment of fecal incontinence using its Urgent@ PC Neuromodulation System. Urgent PC already has a European CE Mark for the treatment of fecal incontinence and its clinical use, safety and effectiveness for treating this indication have been reported at scientific meetings and in worldwide peer-reviewed literature. Fecal incontinence, an under-reported, difficult-to-treat,

and socially-isolating condition, affects up to 10% of the U.S. adult population. For this potentially large group, Urgent PC could provide an office-based treatment solution that is minimally-invasive and does not have the risks associated with more invasive current treatments.

"We believe Urgent PC could provide a viable solution for treating this debilitating condition based on our experience in Europe. After completion of the pilot study, we will then consider moving on to a pivotal study to support U.S. FDA clearance," Mr. Kaysen continued.

"The time frames for both of these initiatives will span multiple years before commercialization. We are committed to prudently manage our resources to fund these efforts as we continue to grow our current business. In our current fiscal year we expect to spend approximately $800,000 for these two initiatives. We will fund these initiatives using the cash we have on hand. At March 31, 2012 we had $16.3 million of cash, cash equivalents and cash investments. With this current fiscal year incremental spending, we project our operating profit breakeven, excluding non-cash charges for share-based compensation, and depreciation and amortization expenses, will increase slightly to an annual revenue run rate of approximately $26 million," concluded Mr. Kaysen.

About Uroplasty, Inc.

Uroplasty, Inc., headquartered in Minnetonka, Minnesota, with wholly-owned subsidiaries in The Netherlands and the United Kingdom, is a medical device company that develops, manufactures and markets innovative proprietary products for the treatment of voiding dysfunctions. Our primary focus is the commercialization of our Urgent@ PC Neuromodulation System, the only FDA-cleared neuromodulation system that delivers percutaneous tibial nerve stimulation for the office-based treatment of overactive bladder and associated symptoms of urgency, frequency and urge incontinence. We also offer Macroplastique@ Implants, an injectable urethral bulking agent for the treatment of adult female stress urinary incontinence primarily due to intrinsic sphincter deficiency. For more information on the company and its products, please visit Uroplasty, Inc. at www.uroplasty.com [1].

Forward Looking Statements This press release contains forward-looking statements that reflect our best estimates regarding future events and financial performance.

These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from our anticipated results. We discuss in detail the factors that may affect the achievement of our forward-looking statements in our Annual Report on Form 10-K filed with the SEC. In particular, we cannot be certain that we will ever achieve sustained profitability; that the rate of reimbursement for PTNS treatments will be adequate to justify the cost of our product; that other Medicare carriers or private payers will provide coverage for this treatment or that existing carriers and payers will not change their coverage decisions; that the rate of adoption of our products by new customers will continue; that we will be able to complete the design and development of, or to manufacture, an implantable device at an effective cost; that clinical trials of that implantable

device, or of a fecal incontinence device, will prove favorable; that the data and results of those clinical trials will prove acceptable to the FDA and other regularity bodies or that we will be granted clearance to market the devices; or that even if marketable, we will be able to obtain appropriate reimbursement for the implantable and fecal incontinence devices; or that any of the other risks identified in our 10-K will not adversely affect our expectations as described in these forward-looking statements.

For Further Information: Uroplasty, Inc. EVC Group David Kaysen, President and CEO, or Jenifer Kirtland (Investors) Medi Jiwani, Vice President, CFO, and Treasurer, 415.568.9349 952.426.6140 Chris Gale (Media) 646.201.5431 SOURCE Uroplasty, Inc.

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