



June 25, 2012

EnteroMedics Added to Russell 3000(R) and Russell 2000(R) Indexes

ST. PAUL, MN -- (Marketwire) -- 06/25/12 -- EnteroMedics Inc. (NASDAQ: ETRM), the developer of medical devices using neuroblocking technology to treat obesity, metabolic diseases and other gastrointestinal disorders, today announced that it has been added to the Russell 3000® and Russell 2000® Indexes. The company was included in both Indexes when Russell Investment Group reconstituted its family of U.S. stock indexes after market close on June 22, 2012.

The Russell 3000® Index measures the performance of the largest 3000 U.S. companies representing approximately 98% of the investable U.S. equity market. Membership in the Russell 3000®, which remains in place for one year, results in automatic inclusion in either the large-cap Russell 1000® Index or the small-cap Russell 2000® Index as well as the appropriate Russell growth, sector, or value style indexes. The Russell family of indexes is designed to be a comprehensive and unbiased representation of the investable U.S. equity market and is reconstituted annually to ensure new and growing equities are reflected. Russell determines membership for its equity indexes primarily by objective, market capitalization rankings, and style attributes.

"Our addition to the Russell 2000® Index is further evidence of EnteroMedics' continued successful execution of its business strategy," said Mark B. Knudson, Ph.D., EnteroMedics' President and Chief Executive Officer. "Our inclusion in the Russell 2000® Index will broaden our market exposure and help bring long-term value to our stockholders."

Russell indexes are widely used by index fund portfolio managers and as benchmarks for both passive and active investment strategies. Approximately \$4 trillion in assets are currently benchmarked to Russell indexes, and investment managers who oversee these funds purchase shares of member stocks according to a company's relative weighting in a particular index. More information about Russell indexes is available at www.russell.com/Indexes.

About Russell

Russell Investments (Russell) is a global asset manager and one of only a few firms that offers actively managed, multi-asset portfolios and services that include advice, investments and implementation. Working with institutional investors, financial advisors and individuals, Russell's core capabilities extend across capital markets insights, manager research, Indexes, portfolio implementation and portfolio construction.

As of March 31, 2012, Russell had approximately \$155 billion in assets under management and works with 2,400 institutional clients, more than 580 independent distribution partners and advisors, and individual investors globally. Founded in 1936, Russell is a subsidiary of The Northwestern Mutual Life Insurance Company.

About EnteroMedics Inc.

EnteroMedics is a medical device company focused on the development and commercialization of its neuroscience based technology to treat obesity and metabolic diseases. EnteroMedics' proprietary technology, VBLOC® vagal blocking therapy, delivered by a pacemaker-like device called the Maestro® Rechargeable System, is designed to intermittently block the vagus nerves using high-frequency, low-energy, electrical impulses. VBLOC Therapy allows people with obesity to take a positive path towards weight loss, addressing the lifelong challenge of obesity and its comorbidities without sacrificing wellbeing or comfort. The Maestro Rechargeable System has received CE Mark and is listed on the Australian Register of Therapeutic Goods. For more information, visit www.enteromedics.com.

Forward-Looking Safe Harbor Statement:

This press release contains forward-looking statements about EnteroMedics Inc. Our actual results could differ materially from those discussed due to known and unknown risks, uncertainties and other factors including our limited history of operations; our losses since inception and for the foreseeable future; our lack of commercial regulatory approval for our Maestro® System for the treatment of obesity in the United States or in any foreign market other than Australia and the European Community; our preliminary findings from our EMPOWER™ pivotal trial; our ability to comply with the Nasdaq continued listing requirements; our ability to commercialize our Maestro System; our dependence on third parties to initiate and perform our clinical trials; the need to obtain regulatory approval for any modifications to our Maestro System; physician adoption of our Maestro System and VBLOC® vagal blocking therapy; our ability to obtain third party coding, coverage or payment levels; ongoing regulatory compliance; our dependence on third party manufacturers and suppliers; the successful development of our sales and

marketing capabilities; our ability to raise additional capital when needed; international commercialization and operation; our ability to attract and retain management and other personnel and to manage our growth effectively; potential product liability claims; potential healthcare fraud and abuse claims; healthcare legislative reform; and our ability to obtain and maintain intellectual property protection for our technology and products. These and additional risks and uncertainties are described more fully in the Company's filings with the Securities and Exchange Commission, particularly those factors identified as "risk factors" in the annual report on Form 10-K filed March 15, 2012. We are providing this information as of the date of this press release and do not undertake any obligation to update any forward-looking statements contained in this document as a result of new information, future events or otherwise.

Caution - Investigational device. Limited by Federal (United States) law to investigational use.

The implantation procedure and usage of the Maestro® System carry some risks, such as the risks generally associated with laparoscopic procedures and those related to treatment as described in the ReCharge clinical trial informed consent.

Source: EnteroMedics

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