



Volcano Announces Installed Base Growth Milestone

Placement of Over 2,500 s5 and s5i Multi-Modality Systems Highlights Continued Momentum versus Competition, Growing World-Wide Demand for Access to FFR and IVUS

SAN DIEGO, Dec 15, 2009 /PRNewswire-FirstCall via COMTEX News Network/ -- Volcano Corporation (Nasdaq: VOLC), a leading developer of precision intravascular therapy guidance tools - including Fractional Flow Reserve (FFR), Intravascular Ultrasound (IVUS), Forward Looking IVUS and Optical Coherence Tomography (OCT) - designed to enhance the diagnosis and treatment of coronary and peripheral vascular disease, announced today the placement of over 2,500 s5 family consoles worldwide. The s5 family of consoles was first launched in April 2006, with more than 1,000 systems placed in the last 12 months alone.

"Reaching this milestone as quickly as we have is a clear demonstration of the strong demand for our diverse PCI guidance technology," said Scott Huennekens, President and Chief Executive Officer of Volcano. "Despite the challenging healthcare and economic environment in the U.S., Volcano has placed more systems in the past 12 months than at anytime in our history, and by our estimate, capturing more than 70% of all new IVUS systems placed in U.S. hospitals during this period. There are three key changes in the intravascular assessment markets responsible for and driving the recent pace of installments. First, and most important, is strong clinical evidence. Recent data from international multi-center studies including FAME and PROSPECT clearly demonstrate both the severe limitations of using angiography alone and the clinical and economic benefits of using more precise guidance with FFR and IVUS. Second, is the ease of use of these modern integrated systems. Many historical barriers to adoption of the technology have been overcome by building integrated systems physically into each room, which reduces procedure time and makes the technology accessible to more patients. The final driver is the increased demand for Volcano's proprietary technology. Volcano has the only multi-modality system capable of doing digital IVUS, high frequency rotational IVUS, VH(R) IVUS tissue characterization, ChromaFlo and FFR all on the same console today, and a path for additional modalities like OCT, Spectroscopy, Image Guided Therapy Balloons, and Forward Looking IVUS in the future. When hospitals purchase equipment today, they want to be sure it is capable of evolving with the needs of their physicians, and many of them see that vision in Volcano's pipeline."

Precision guidance products such as FFR and IVUS have experienced an impressive increase in adoption over the past year. Despite a minor increase in overall PCI procedure volume in the U.S., Volcano IVUS catheter unit sales are up 19% and Volcano FFR wires are up 73% year-to-date as compared to the same period a year ago. These tools are being increasingly relied upon by physicians who continue to look for ways to improve on current drug-eluting stent (DES) outcomes, especially in more complex lesions and in patients with multi-vessel disease.

Joe Burnett, Vice President of Marketing at Volcano commented, "FFR is a particular focus for Volcano, and the momentum has continued after the publication of new updates to the PCI guidelines from the American College of Cardiology and the American Heart Association earlier this week. These two prestigious societies 'upgraded' the level of evidence in support of FFR from level B to level A largely based on the strong FAME study data. We look to become a leader in the FFR market the same way we have in IVUS, by having the best portfolio of FFR wires and using accelerated installed base placements to fuel market share growth. It took us over fifteen years to place 800 earlier generation FFR systems worldwide. In the last 12 months, we have enabled FFR on over 1200 s5 and s5i systems through either upgrades or new placements, more than doubling the installed base of FFR capable systems. This is the power of our platform and business model. In the same way that broad IVUS system placements and offering the best portfolio of IVUS catheters have more than doubled Volcano U.S. market share from 25% to more than 50%, we believe this FFR strategy can help us realize similar success in this growing physiology market. Importantly, we want to provide a pathway for hospitals to stay current with the latest technology. Once development is complete, we plan to aggressively deploy similar strategies with OCT, Image Guided Therapy and Forward Looking IVUS, the way we have already done with IVUS and FFR, to ensure physicians and patients have access to new medical advances."

Volcano's s5i is the only multi-modality system on the market fully integrated into the cath lab that offers clinicians a choice of five modalities for assessment of lesion morphology and severity on a single platform: digital IVUS for fast, plug and play imaging, high-frequency rotational IVUS for higher resolution, VH(R) IVUS for plaque characterization, ChromaFlo(R) for imaging blood flow, and FFR for physiological lesion assessment.

"The most significant advantage Volcano has today stems from the many benefits of the s5i multi-modality system," continued Burnett. "Providing physicians with the choice of five different technologies on one system is very unique, but it is only part of

the story. By having a single system, the hospital in turn has a single point of contact for service, support, and most importantly, training for physicians and staff. Hospitals can now attend a single training course or in-service, and leave proficient in five different technologies, rather than attending multiple training courses on five separate consoles, with five individual user interfaces, from five different instructors. Efficiency is one of the greatest benefits we offer our customers."

"The long-term solution for more economically viable health care is not solved with short-sighted actions such as new taxes on the innovative medical device industry," said Huennekens. "There are much more visionary and effective ways to tackle health care reform. We must continue to innovate and develop technologies today that both improve outcomes *and* reduce cost - by replacing expensive surgeries with long recovery times for example - or -- by reducing or eliminating repeat procedures performed on the same patient. Policies that stifle innovation, or make it more difficult for physicians to use the precision tools that exist today, are a move in the wrong direction."

About Volcano Corporation

Volcano Corporation (NASDAQ: VOLC) offers a broad suite of devices designed to facilitate endovascular procedures, enhance the diagnosis of vascular and structural heart disease and guide optimal therapies. The company's intravascular ultrasound (IVUS) product line includes ultrasound consoles that can be integrated directly into virtually any modern cath lab. Volcano IVUS offers unique features, including both single-use phased array and rotational IVUS imaging catheters, and advanced functionality options, such as VH(R) IVUS tissue characterization and ChromaFlo(R). Volcano also provides functional measurement (FM) consoles and single-use pressure and flow guide wires, and is developing a line of ultra-high resolution Optical Coherence Tomography (OCT) and Forward Looking IVUS systems and catheters. Currently, more than 4,700 Volcano IVUS and FM systems are installed worldwide, and more than half of Volcano's revenues are derived from outside the United States. FLIVUS, IGT and OCT are development phase products and are not FDA approved or commercially available. Through its wholly-owned subsidiary, Axsun Technologies, Volcano also develops and manufactures optical monitors, lasers and optical engines used in telecommunications, spectroscopy and other industrial applications. For more information, visit the company's website at <http://www.volcanocorp.com>.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Any statements in this release regarding Volcano's business that are not historical facts may be considered "forward-looking statements," including statements regarding the potential benefits of the procedures described above and of the Company's products, results and implications of the data from the FAME trial and PROSPECT trial, effectiveness of our business model and strategies and market adoption of the company's technology, and the impact of clinical and other technical data. Forward-looking statements are based on management's current preliminary expectations and are subject to risks and uncertainties which may cause Volcano's results to differ materially and adversely from the statements contained herein. Some of the potential risks and uncertainties that could cause actual results to differ from the results predicted are detailed in the company's annual report on Form 10-K, quarterly reports on Form 10-Q and other filings made with the Securities and Exchange Commission. Undue reliance should not be placed on forward-looking statements which speak only as of the date they are made. Volcano undertakes no obligation to update any forward-looking statements to reflect new information, events or circumstances after the date they are made, or to reflect the occurrence of unanticipated events.

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