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BIONESS ANNOUNCES NESS H200 AND L300 SYSTEMS TO BE AVAILABLE AT 88 HEALTHSOUTH HOSPITALS NATIONWIDE

Valencia, Calif. — July 30, 2008 — Bioness Inc., an innovative provider of advanced neuromodulation products designed to accelerate recovery from central nervous system disorders, announced today that HealthSouth Corporation, the nation's largest provider of inpatient rehabilitative healthcare services, will expand the availability of the NESS H200® Hand Rehabilitation System and the NESS L300™ Foot Drop System to 88 rehabilitation hospitals nationwide.

“HealthSouth is committed to using technology effectively for our patients, so we’ve developed a rigorous process for evaluating and selecting new therapeutic devices,” said Dr. Dexanne Clohan, HealthSouth Chief Medical Officer. “We look for innovations that would be well accepted by patients and therapists and offer opportunities for improved clinical outcomes.”

HealthSouth’s Bioness pilot program initially involved 27 hospitals. It will expand its NESS H200 program to 37 hospitals and its NESS L300 program to 54 hospitals. The roll-out into these additional facilities is scheduled for completion by September 2008.

“We are excited about HealthSouth’s decision to expand their Bioness programs and allow many more individuals access to our advanced technologies nationwide,” said Yitzhak Zilberman, President & CEO of Bioness Inc. “We are proud of this technology and are gratified by HealthSouth’s favorable assessment.”

Bioness’ devices are designed to help patients living with limitations caused by stroke, multiple sclerosis, spinal cord injury, traumatic brain injury and other central nervous system disorders. The NESS H200 Hand Rehabilitation System is designed for patients who have difficulties using their weak or paralyzed arm and hand to perform common tasks that require grasp and release, especially two-handed activities such as pushing a cart, fastening a belt, buttoning or sweeping. The H200 helps to restore lost arm and hand function through repetitive training with patients and may re-educate their muscles and reduce complications including muscle spasms. The NESS L300 Foot Drop System is designed to help patients suffering from foot drop walk more safely and easily. The award-winning L300 is a light-weight, wireless device that fits just below the knee, and may eliminate the need for patients to wear a rigid, heavy orthosis.

About HealthSouth

HealthSouth is the nation's largest provider of inpatient rehabilitation services. Operating in 26 states across the country and in Puerto Rico, HealthSouth serves more than 250,000 patients annually through its network of inpatient rehabilitation hospitals, long-term acute care hospitals, outpatient rehabilitation satellites, and home health agencies. HealthSouth strives to be the health care company of choice for its patients, employees, physicians and shareholders and can be found on the Web at www.healthsouth.com.

About Bioness Inc.

Bioness develops, manufactures and markets innovative neuromodulation products that aid individuals in the recovery from central nervous system disorders such as stroke, multiple sclerosis, spinal cord injury, traumatic brain injury and other central nervous system disorders.

The NESS L300™ Foot Drop System and the NESS H200® Hand Rehabilitation System, cleared for use by the Food and Drug Administration (FDA) and granted the CE Mark in the European Union are designed to enable patients to achieve new levels of physical independence and productivity.

Additional information about Bioness can be found at www.bioness.com.

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