



FOR IMMEDIATE RELEASE

NeuroStar TMS Therapy Continues to Grow as a Standard of Care for Patients with Depression

*– New CPT I Codes and Inclusion in American Psychiatric Association Guidelines
Support the Use of this Non-drug Treatment –*

Malvern, PA, January 10, 2011 – Neuronetics, Inc., is pleased to announce that effective January 1, 2011, new Category I CPT® codes are available for billing the medical procedure performed using the NeuroStar TMS (Transcranial Magnetic Stimulation) Therapy® system. This procedure, called TMS therapy, is a novel approach to the treatment of major depressive disorder.

The issuance of these codes demonstrates that TMS Therapy has met the AMA's criteria for Category I status. Category I CPT codes are utilized throughout medicine to bill health plans for medical services. The AMA issues these codes when new technologies and other medical services enter medical practice and are established as an accepted standard of care by the physician specialty performing the service.

The new CPT codes, coupled with the inclusion of TMS Therapy in the American Psychiatric Association's 3rd Edition Practice Guideline for the Treatment of Patients with Major Depressive Disorder support the use of NeuroStar TMS Therapy as a new standard of care treatment. NeuroStar TMS Therapy is the fastest growing non-pharmaceutical treatment for depression in the United States. More than 270 NeuroStar TMS systems are installed in the US in both private psychiatric practices and university settings. Neuronetics' NeuroStar is the first and only non-systemic and non-invasive TMS device cleared by the U.S. Food and Drug Administration for the treatment of Major Depressive Disorder in patients who have not benefitted from prior antidepressant treatment.*

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“With the NeuroStar TMS system being available for clinical use for just over 2 years, we are excited about how the psychiatric community has seen the value of the treatment,” said Neuronetics’ VP, Chief Medical Officer Mark Demitrack, M.D. “NeuroStar TMS Therapy provides psychiatrists a safe and proven non-drug option for patients who are suffering from major depression and who have not received benefit from prior antidepressant medication.”

About Depression

Depression affects at least 14 million American adults each year. Researchers estimate that by the year 2020, depression will be the second leading cause of disability worldwide. Each year, over 30,000 people in the US commit suicide, 60% of which suffer from depression. The economic burden of depression in 2000 was estimated at \$83.1 billion in the US. Women are almost twice as likely as men to suffer from depression. However, some experts feel that depression in men is under-reported. Depression has no racial, ethnic, or socioeconomic boundaries. About two-thirds of those who experience an episode of depression will have at least one other episode in their lives. Despite major advances in treating this debilitating illness, nearly 30% of patients with depression do not benefit from or are intolerant of antidepressant therapy.

About NeuroStar TMS Therapy

NeuroStar TMS Therapy was cleared by the FDA in October 2008 for adult patients with major depressive disorder who have not adequately benefitted from prior antidepressant medication.* NeuroStar TMS Therapy is a non-systemic (does not circulate in the bloodstream throughout the body) and non-invasive (does not involve surgery) form of neuromodulation. It stimulates nerve cells in an area of the brain that has been linked to depression, by delivering highly focused MRI-strength magnetic field pulses. The treatment is typically administered daily for 4-6 weeks. In an open-label clinical trial, which is most like real world clinical practice, approximately 1 in 2 patients experienced significant improvement in symptoms, and 1 in 3 experienced complete symptom resolution. There were no systemic side effects such as those experienced with some antidepressant medications. The most common adverse event related to treatment was scalp pain or discomfort at the treatment area during active treatment. There is a rare risk of seizure with TMS Therapy (0.1% of patients under general clinical use). NeuroStar TMS Therapy is contraindicated in patients with non-removable metallic objects in or around the head. It is not indicated or effective for all patients with depression and it is available only upon the prescription of a psychiatrist. For full safety and prescribing information, visit www.NeuroStarTMS.com.

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Availability of NeuroStar TMS Therapy

Treatment with NeuroStar TMS Therapy is available at over 270 treatment centers in 38 states. For information on specific treatment locations that offer NeuroStar TMS Therapy, please visit www.NeuroStar.com or call Neuronetics Customer Service Center at (877) 600-7555.

About Neuronetics

Neuronetics, Inc. is a privately-held medical device company focused on developing non-invasive therapies for psychiatric and neurological disorders using MRI-strength magnetic field pulses. Based in Malvern, PA, Neuronetics is the leader in the development of TMS Therapy, a non-invasive form of neuromodulation. Neuronetics was created as a spinout of The Innovation Factory, a medical device incubator in Duluth, GA. For more information, please visit www.neuronetics.com.

* NeuroStar TMS Therapy® is indicated for the treatment of Major Depressive Disorder in adult patients who have failed to achieve satisfactory improvement from one prior antidepressant medication at or above the minimal effective dose and duration in the current episode.

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