

Tactile Systems Technology Announces Financing from Radius Ventures

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Tactile Systems Technology Inc., currently a leading provider of at-home lymphedema treatment, today announced it has secured \$10.4 million of Series-B financing led by Radius Ventures. Galen Partners also participated in the round of financing.

The financing supports Tactile Systems' plans to acquire a leading new product and intellectual property rights for additional lymphedema technology. Lymphedema, or fluid retention that results in chronic swelling, affects more than one million people annually in the U.S. With the new technologies, Tactile Systems will be able to update its solutions and also expand into at-home treatments for patients with other vascular diseases. The acquired technology has 510(k) market clearance and an assigned Medicare reimbursement code.

"This financing will help us advance standard of care in treating chronic diseases at home by providing growth capital for products and technologies in the lymphedema and chronic wound areas to augment our existing line, including the Flexitouch® system," said Jerry Mattys, CEO of Tactile Systems Technology Inc. "These new technologies will allow us to strengthen our core business, fill gaps in our current markets and gain access to new markets."

Jordan Davis, managing partner and co-founder of Radius Ventures said, "As a firm, our goal is to provide growth capital to well-managed companies addressing large market opportunities with cost effective, best-in-class products and solutions. Driven by economics, an important health care trend is the movement from the hospital setting to the home for continuing care. Tactile Systems is positioned to address this trend. We are excited about our partnership and confident in our decision to invest in Tactile Systems. We proudly support the company's growth and look forward to seeing how this investment advances the treatment of chronic swelling and other vascular conditions."

About Tactile Systems Technology Inc.

Tactile Systems Technology Inc., headquartered in Minneapolis, is a medical device company dedicated to advancing the standard of care for the at-home treatment of edema and vascular disease. The company's Flexitouch® system is a programmable pneumatic compression device designed to help patients improve their overall health and enjoy a higher quality of life. The U.S. FDA granted 510(k) clearance to market the product for the treatment of lymphedema and chronic wounds. As a leader in lymphedema treatment, and serving tens of thousands of patients throughout the U.S., the mission of Tactile Systems is to establish Flexitouch® system as a standard in the treatment and care of lymphedema and chronic wound patients at home.

About Radius Ventures

Founded in 1997, Radius Ventures is a venture capital firm that invests in leading-edge, expansion-stage health and life sciences companies. Radius has a deep understanding of the complexities and opportunities that drive successful health and life sciences investing. The firm's goal is to identify companies on the cusp of major value creation with the objective of achieving liquidity within a five year time frame. Central to the firm's investment strategy is providing growth capital to well-managed companies addressing large markets with attractive adoption dynamics. Ideal investment candidates are capital efficient with scalable business models and compelling value propositions. For more information, visit <http://www.radiusventures.com>.