

**Guided
Therapy
Systems**

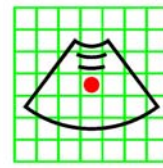
**TECHNOLOGY DEVELOPER ANNOUNCES COMPLETION OF COMPANY'S SPIN-OFF
ULThERA RECEIVES \$22.5 MILLION TO COMMERCIALIZE NON-INVASIVE
FACE-LIFT DEVICE**

Mesa, AZ – February 1, 2008 – Guided Therapy Systems (GTS), a developer of therapeutic ultrasonic medical devices, announced today that its first spin-off, Ulthera, Inc., has received \$22.5 million in a Series B round that was led by New Enterprise Associates (NEA). Existing investor 3i also participated in the round. Ulthera is targeting the large and growing cosmetic dermatology market and will sell and market devices to perform non-invasive facelifts, wrinkle treatments and other aesthetic procedures. The company has raised a total of \$30 million since 2004.

GTS was originally founded in 1994 and has a broad technology platform and intellectual property portfolio suitable to address unmet needs in multiple markets. "GTS will continue to spin off individual companies addressing several exciting markets, including aesthetic medicine, oncology, orthopedic surgery, women's health, and others," stated Michael Slayton, Ph.D., GTS Founder and CEO.

In 2006, GTS received venture capital funding for Xthetix, Inc., a second spin-off company. Xthetix products will be marketed over-the-counter to consumers for the purpose of acne prevention and skin rejuvenation, another multi-billion dollar market. "We are presently conducting human clinical studies and product development," states Brian O'Connor, GTS President and one of the GTS co-founders. "We expect that the use of Xthetix devices to prevent the occurrence of acne and blemishes will become as common as use of a toothbrush to prevent tooth decay."

In the case of Ulthera, products developed by GTS combine high frequency ultrasound imaging and therapeutic treatment in a single handheld device. "The company has developed a micro-ablation device that safely penetrates and treats multiple layers of tissue non-invasively," stated Ulthera CEO Matt Likens. "This unique approach enables visualization of target layers of sub-epidermal tissue immediately before the therapeutic level of ultrasonic energy is delivered, allowing physicians to see where they are working below the skin. The outer epidermal layer of skin is completely spared, while deeper treatment immediately triggers the body's natural healing effect, resulting in a gradual lifting and tightening of skin tissue in and around the face."



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The company received a CE Mark (European Conformity approval) for the Ulthera™ System in 2007 and is expecting FDA clearance to sell products in the U.S. soon. Ulthera will use the \$22.5 million to commercialize its technology globally, conduct additional product development and execute more clinical studies to support expanded use of its platform. Products will be marketed directly to dermatologists and plastic surgeons in the U.S. and through a network of distributors internationally.

About Guided Therapy Systems (GTS)

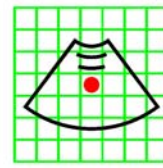
Guided Therapy Systems, LLC, is a privately owned, medical-technology company and accelerator developing unique ultrasonic therapeutic and imaging medical devices and related technologies. The company leverages its expertise across a wide range of intellectual properties and technology platforms to develop products addressing unmet needs in multi-billion dollar markets. GTS has assembled a premier team capable of developing products, gaining regulatory approval, creating new companies, and launching commercial products.

About Ulthera

Ulthera, Inc., develops, sells and markets novel therapeutic ultrasound-based medical devices into the expanding medical aesthetic market. This market is defined by elective procedures for consumers wishing to achieve cosmetic improvement in their appearance. The company is targeting the non-invasive face-lift and skin rejuvenation market segment, which will exceed \$4 B worldwide in 2010. Ulthera was founded in 2004 and spun-off from Guided Therapy Systems, LLC, a Mesa, Arizona, based company.

About NEA

New Enterprise Associates (NEA) is a leading venture capital firm focused on helping entrepreneurs create and build major new enterprises that use technology to improve the way we live, work and play. Since its founding in 1978, the firm has followed the same core principles: supporting its entrepreneurs, providing an excellent return to its limited partners, and practicing its profession with the highest standards and respect. NEA focuses on investments at all stages of a company's development, from seed stage through IPO. With approximately \$8.5 billion in committed capital, NEA's experienced management team has invested in over 550 companies, of which more than 160 have gone public and more than 230 have been acquired. NEA has U.S. offices in Chevy Chase, Maryland; Menlo Park, California; and Baltimore, Maryland. In addition, New Enterprise Associates (India) Pvt. Ltd.



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has an office in Bangalore, India, and New Enterprise Associates (Beijing) Ltd. has offices in Beijing and Shanghai, China. For additional information, visit www.nea.com.

About 3i

Established in 1945, 3i is an international leader in private equity and venture capital with assets of \$16 billion. 3i invests across Europe, North America and Asia. Our competitive advantage comes from our international network with more than 250 investment professionals in 14 countries, unrivaled sector depth and an extensive portfolio of approximately 750 companies. These underpin the value that we deliver to our portfolio and to our shareholders. For more information, visit www.3i.com

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