

NEWS RELEASE

UROPLASTY INITIATES CLINICAL STUDY COMPARING URGENT[®] PC TO DRUG THERAPY FOR OVERACTIVE BLADDER TREATMENT

MINNEAPOLIS, MN, July 11, 2006 -- Uroplasty, Inc. (AMEX: UPI) announced it has initiated a post market, multicenter clinical study with its Urgent[®] PC Neuromodulation System at urology and urogynecology centers across the United States. The study is a randomized, controlled, clinical study comparing percutaneous tibial nerve stimulation (PTNS) using the Urgent PC against a major drug therapy. The post market clinical study will evaluate reductions in overactive bladder (OAB) symptoms of urge urinary incontinence, and urgency and frequency of urinary voids, as well as void volumes, quality of life measures, physician assessments and cost effectiveness.

The Urgent PC product is a minimally invasive, office-based, non-surgical PTNS device for the treatment of OAB in men and women suffering with symptoms of urinary urge incontinence, urgency and frequency. The drug therapy is a bladder anti-spasmodic drug, also referred to as an anticholinergic medication. Both products are FDA cleared and available for sale in the United States, and both products are used for the non-surgical treatment of OAB symptoms.

Over 34 million Americans suffer from OAB symptoms dramatically impacting the quality of their lives. These symptoms include urinary accidents, sudden urges, and frequent visits to a bathroom. Physicians, patients and third party payers throughout the world are embracing the office-based therapy provided by the Urgent PC. The minimally invasive stimulation therapy is a cost and clinically effective, non-surgical, non-drug alternative treatment for an individual with an OAB.

David B. Kaysen, President and CEO of Uroplasty said, "Patients suffering from OAB symptoms are seeking an effective treatment with minimal side effects. Coming off our just announced FDA clearance for the Urgent PC, as well as our announced national reimbursement coverage from Aetna and coverage by a number of Blue Cross and Blue Shield health plans, this study is expected to build upon the already significant clinical evidence base for Urgent PC by demonstrating its clinical and cost effectiveness as compared to the standard pharmaceutical therapy used today. The relationships we are developing with key physicians and medical institutions signing up for this study should immediately lay the groundwork for our United States launch of the Urgent PC."

Physicians and patients interested in more information about Urgent PC should contact urgentpcinfo@uroplasty.com.

Uroplasty, Inc., headquartered in Minnetonka, Minnesota, with wholly-owned subsidiaries in The Netherlands and the United Kingdom, is a medical device company that develops, manufactures and markets innovative, proprietary products for the treatment of voiding dysfunctions, including urinary and fecal incontinence, overactive bladder and vesicoureteral reflux.

The Urgent[®] PC Neuromodulation System is a proprietary, minimally invasive, non-surgical nerve stimulation device designed for office-based treatment of overactive bladder symptoms of urge incontinence, urinary urgency and urinary frequency. Application of neuromodulation therapy targets specific nerve tissue and disrupts the signals that lead to the symptoms of overactive bladder. Uroplasty sells the Urgent PC system in the United States, in Canada and in countries recognizing the CE mark. Outside the United States, the Urgent PC is also indicated for the treatment of fecal incontinence

The I-STOP[™] Mid-Urethral Sling is a biocompatible, tension-free sling used to treat female stress urinary incontinence. The I-STOP sling provides a hammock-like support for the urethra to prevent urine leakage

associated with activities such as coughing, laughing, lifting or jumping. Uroplasty sells the I-STOP Sling in the United States and the United Kingdom.

Macroplastique[®] Implants, Uroplasty's patented soft tissue bulking agent, is used to treat both female and male urinary incontinence and to treat vesicoureteral reflux in children. When Macroplastique is injected into tissue, it stabilizes and "bulks" the tissue, providing the surrounding muscles with increased capability to control the flow of urine. Additionally, Uroplasty markets soft tissue bulking agents for specific indications such as PTQ[™] Implants for the treatment of fecal incontinence, VOX[®] Implants for the treatment of vocal cord rehabilitation, and Bioplastique[®] for augmentation or restoration of soft tissue defects in plastic surgery indications. Uroplasty's soft tissue bulking agent products are sold outside the United States at this time.

The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for certain forward-looking statements. This press release contains forward-looking statements, which reflect our views regarding future events and financial performance. These forward-looking statements are subject to certain risks and uncertainties, including those identified below, which could cause actual results to differ materially from historical results or those anticipated. The words "aim," "believe," "expect," "anticipate," "intend," "estimate" and other expressions, which indicate future events and trends, identify forward-looking statements. Actual future results and trends may differ materially from historical results or those anticipated depending upon a variety of factors, including, but not limited to: the effect of government regulation, including when and if we receive approval for marketing products in the United States; the impact of international currency fluctuations on our cash flows and operating results; the impact of technological innovation and competition; acceptance of our products by physicians and patients, our historical reliance on a single product for most of our current sales; our ability to commercialize our recently licensed product lines; our intellectual property and the ability to prevent competitors from infringing our rights; the ability to receive third party reimbursement for our products; the results of clinical trials; our continued losses and the possible need to raise additional capital in the future; our ability to manage our international operations; our ability to hire and retain key technical and sales personnel; our dependence on key suppliers; future changes in applicable accounting rules; and volatility in our stock price.

FOR FURTHER INFORMATION: visit Uroplasty's web page at www.uroplasty.com or contact Mr. Kaysen.

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