



UROPLASTY ENROLLS FIRST PATIENTS IN URGENT® PC CLINICAL TRIAL

Study to support Urgent PC clinical success and expanded reimbursement coverage

MINNEAPOLIS, MN, October 2, 2008 - Uroplasty, Inc. (AMEX: UPI) announced today the enrollment of the first patients in a new randomized, controlled multicenter clinical study of its FDA cleared Urgent PC neuromodulation system for the treatment of overactive bladder (OAB) symptoms of urinary urgency, urge incontinence and frequency of urinary voids.

The study is designed to directly compare the effectiveness of Urgent PC treatment to non-active treatment. Uroplasty is undertaking this study primarily to support third-party reimbursement coverage. The study will evaluate reductions in urinary urgency, urge incontinence and frequency of urinary voids, as well as patient quality of life measures. This study, expected to be completed by early fall of 2009, is to take place at approximately 20 urology and urogynecology centers across the United States, with total enrollment of 214 patients. As previously discussed, Uroplasty has reallocated expenditures this fiscal year to expedite these efforts, and expects to spend between \$1.0 and \$1.4 million this fiscal year on the study.

More than 33 million Americans suffer from OAB symptoms, dramatically impacting the quality of their lives. The Urgent PC system is a minimally invasive, office-based, non-surgical, percutaneous tibial nerve stimulation (PTNS) device that treats these symptoms. The Company believes physicians, patients and many third party payers are embracing the Urgent PC therapy because this low cost, non-surgical, non-drug treatment alternative is clinically effective.

Kenneth M. Peters, M.D., the Principal Investigator leading this study, is internationally known for his work on neuromodulation, interstitial cystitis, and painful bladder syndrome. Dr. Peters is the Chairman of the Department of Urology and Director of Clinical Research – Department of Urology at William Beaumont Hospital, Royal Oak, Michigan. He has published several studies and written extensively on the effect of neuromodulation in treating voiding dysfunction, interstitial cystitis and pelvic pain, is a peer reviewer for several journals, and lectures internationally on the topic. He has several years of experience using PTNS routinely in his clinical practice.

Dr. Peters commented, "I am pleased to commence a well designed, randomized controlled trial to provide the medical community with additional scientific data

regarding the use of PTNS. When completed, this study will provide a valuable complement to previous studies comparing the effectiveness of PTNS to active controls such as pharmaceuticals.”

David Kaysen, President and CEO of Uroplasty said, “This significant new study is a cornerstone to our U.S. reimbursement efforts, and is part of a very focused strategy to solidify reimbursement coverage for PTNS. Recently, the American Urological Association published the American Medical Association’s (AMA) advice to the medical community that their previously recommended “listed” CPT code for Urgent PC treatments be replaced with an “unlisted” code. Some third-party insurance carriers are now reassessing their coverage and reimbursement policies for Urgent PC treatments. However, many other third-party payers, including Aetna, under its national coverage policy, and several local Blue Cross/Blue Shield plans across the country, as well as many other carriers on a case-by-case basis, continue to cover Urgent PC treatments.”

“We anticipate applying to the AMA for a specific “listed” CPT reimbursement code for Urgent PC treatments. We believe data from this new clinical study, if successful, along with the substantial existing clinical evidence, will expedite the medical community’s strong support of this effort,” continued Kaysen.

“Given the reassessment of coverage by some third party insurance carriers, and additional time being spent by our organization to educate customers and carriers to solidify reimbursement of the procedure, we have seen a moderation in our U.S. sales growth during the second fiscal quarter ending September 30. While we still expect solid U.S. sales growth over the previous fiscal year, we do not expect to reach the sales growth forecast we have provided for the fiscal year. We expect to better understand the impact on our current fiscal year sales as some insurance carriers complete the reassessment of their reimbursement policies and will update our investors during our second fiscal quarter conference call in early November,” Mr. Kaysen concluded.

About Uroplasty, Inc.

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. Our primary focus is continued commercialization of our Urgent PC system, which we believe is the only FDA-approved minimally invasive nerve stimulation device designed for office-based treatment of urinary urgency, urinary frequency and urge incontinence – symptoms often associated with overactive bladder. We also offer Macroplastique® Implants, an injectable urethral bulking agent for the treatment of adult female stress urinary incontinence primarily due to intrinsic sphincter deficiency. For more information on the company and its products, please visit Uroplasty, Inc. at www.uroplasty.com.

Forward Looking Information

This press release contains forward-looking statements, which reflect our best estimates regarding future events and financial performance. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from our anticipated results. We discuss in detail the factors that may effect the achievement of our forward-looking statements in our Annual Report on Form 10-K filed with the SEC. These factors include:

- decisions by government and third party reimbursement agencies as to the rate of reimbursement for our products, or whether reimbursement will be allowed;
- 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 intellectual property and the ability to prevent competitors from infringing our rights;
- the effect of government regulation, including when and if we receive approval for marketing products in the United States;
- the results of clinical trials; and
- our continued losses and the possible need to raise additional capital in the future.

We cannot assure you that our clinical trial will produce favorable results, that third-party payers will provide or continue to provide coverage and reimbursement, or reimburse the providers an amount sufficient to cover their costs and expenses, nor can we assure you that we will timely obtain, or even succeed at all at obtaining, a specific “listed” CPT code from the AMA for Urgent PC treatments. We further cannot assure you that reimbursement or other issues will not further impact our fiscal 2009 results.

For Further Information:

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