



Contact: Jeffrey M. Pollock
jpollock@merchantbanc.com

(603) 623-5500 ext. 15

MerchantBanc Funds Purchase of Smith & Nephew Division

January 11, 2008; Manchester, NH

MerchantBanc, LLC announced today that a private investment fund under its management, **MB Growth Partners II, LP**, has partnered with **InaVein, LLC** to purchase the Vascular Division of **Smith & Nephew, Inc.** (NYSE: SNN), an \$11 billion UK medical device manufacturer.

The Vascular Division sells proprietary medical devices used in the removal of diseased veins. These devices reduce incisions from as many as 20 in traditional practices to as few as two. Though receiving strong acceptance in the market, this business was not core to Smith & Nephew. InaVein was formed by MerchantBanc and two experienced medical device industry executives to purchase the Vascular Division in recognition that these devices are unique in reducing patient pain and post-procedure recovery of vein removal.

MerchantBanc Managing Director, Frank Pinto, stated: "InaVein presents an opportunity that is well suited to MerchantBanc's business of developing innovative companies in strong niche markets." Jona Donaldson, InaVein CEO, added: "Approximately 1 million cases of vein disorders were treated in the US last year, and this is expected to grow by almost 15% over the next three to five years. We intend to make InaVein a leading company serving this market."

About InaVein, LLC

InaVein sells the following products to medical practitioners for use in addressing diseased veins: the TCI Catheter, a device used to remove the greater saphenous vein; the TriVex™ System and associated disposables, a minimally-invasive treatment for removing varicose veins; and the Tumescant Enhanced Sclerotherapy system to eliminate spider veins and reticular veins.

About MerchantBanc, LLC (www.merchantbanc.com)

MerchantBanc, LLC manages private investment funds specializing in acquisition financing and growth funding for later-stage entrepreneurial companies throughout New England. The firm currently manages two funds, MerchantBanc Venture Partners, LP, and MB Growth Partners II, LP. The partnerships are capitalized by leading banks, university endowments, development companies and individuals throughout New England

##