



## EXECUTIVE OVERVIEW

**CardioMag Imaging, Inc.**  
450 Duane Avenue; Schenectady, New York 12304

### **Hospital Installation**

CardioMag (CMI), founded in 1999, has developed non-invasive heart-function diagnostic equipment (shown above) called a magnetocardiograph (MCG). In a procedure lasting less than 10 minutes, the MCG provides accurate, highly reproducible information about cardiac electric function in real time. MCG procedures are expected to replace more invasive, lengthy procedures for the diagnosis of coronary artery disease, the leading cause of death for both men and women. As a result, resources in hospitals and private clinics may be more effectively utilized, and in the emergency room setting, the risk of malpractice from inadvertent discharge mitigated. As MCG enters standard clinical practice the number of uses will grow for heart-health diagnostics.

CardioMag is the leader in clinical MCG based diagnostics. As a functional imaging display modality, MCG will sell into the diagnostic imaging market, which in the U.S. alone exceeds \$12 billion and is experiencing double-digit growth. CMI has already sold systems in China and Europe. Short-term (years 2-5) growth relies on meeting the worldwide need for more rapid diagnosis of acute chest pain. Growth thereafter will be fueled by additional products that are highly suitable for routine screening of heart health conditions in the general population.

**PRODUCTS:** Using the most advanced software technology and proprietary electronics, an MCG system utilizes the world's most sensitive magnetic field sensors (SQUIDS) to measure true cardiac electric activity without touching the patient. This is the only non-invasive way to obtain such information. The heart can pump blood because heart muscle cells carry electric current (that produce magnetic fields outside the body!). The MCG sees the magnetic "heartprint" created each millisecond by these cells. CMI's intellectual property is protected by comprehensive know-how, one issued patent, six pending, and many trade secrets.

CMI's application for market clearance in the U.S. has been approved by the **FDA**. Its systems also bear the European CE mark. Further clinical trials in the United States aimed at demonstrating the broader benefits of an MCG test for patients with chest pain and many other cardiac defects are underway at the following luminary sites: **Mayo Clinic**, **Johns Hopkins Hospital**, and **Cedars-Sinai Medical Center** in the U.S. as well as in Germany, Italy and China.

**TARGET MARKET:** In the U.S. alone, there are over 6000 primary hospitals and 1500 chest pain centers that will likely need one or more MCG's. Our first targets are the chest pain centers, where a fast, accurate and non-invasive patient evaluation is required. In parallel, we will serve similar markets in Europe and Asia, the latter requiring individual country regulatory approvals which are facilitated by FDA market clearance in the United States. We will reach all markets through established medical equipment dealers.

**COMPETITION:** Hitachi is the only other known company commercializing MCG, but their choice of shielded-room technology may severely limit the clinical applicability of their system. They have approval to sell only in Japan.

**MANAGEMENT TEAM:** The Company has recruited a world-class staff of 25 employees, including:

- **Carl H. Rosner**, President & Chief Executive Officer – Chm-Emeritus InterMagnetics Gen. Corp.
- **Alexander A. Bakharev**, Sr. V.P. – New Products – world-class expert in MCG
- **Afshin Abedi, Ph.D** – Vice President – Clinical and Regulatory Activities
- **Robert S. Sokolowski**, Vice-President, Business Development – experienced in internat'l sales
- **Barbara R. Polidore**, Controller – over 18 years of financial expertise

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