IsoTis Regulatory Review of Accell Products Back on Track

FDA reinitiates 510(k) review

IRVINE, CA, USA – May 30, 2007 – IsoTis, Inc. (NASDAQ: ISOT), the orthobiologics company, today announced that it recently received a positive response from the Center for Biologics Evaluation and Research (CBER) and the Center for Devices and Radiological Health (CDRH) of the U.S. Food and Drug Administration (FDA), confirming that IsoTis' Accell family of demineralized bone matrix products will be regulated under the device provisions of the Federal Food, Drug, and Cosmetic Act.

Following receipt of the response letter, the company engaged in discussions with the Office of Device Evaluation (ODE) of CDRH. Based on these discussions, the company submitted a 510(k) supplement clarifying the claims and labeling for its Accell products today. The company also addressed ODE's additional questions regarding the Accell process. These discussions resulted in a confirmation that the agency will restart the review of the pending 510(k) notice for the Accell family of products submitted in July 2006, which had been put on hold in February 2007. While there can be no assurance that CDRH will not request additional information after review of the supplement, which may cause further delays, based on it's discussions with FDA, IsoTis hopes to receive a timely 510 (k) clearance.

Pieter Wolters, President and CEO of IsoTis said, "We are very pleased with the outcome of our discussions with the FDA. The confirmation from the FDA that the Accell products are regulated as devices ends a period of uncertainty about which Center within FDA has jurisdiction. We look forward to continue to work closely with the FDA toward obtaining a timely 510(k) clearance of our Accell family of products."

About IsoTis, Inc.

IsoTis is a leading orthobiologics company that develops, manufactures and markets proprietary products for the treatment of musculoskeletal diseases and disorders. IsoTis' current orthobiologics products are bone graft substitutes that promote the regeneration of bone and are used to repair natural, trauma-related and surgically-created defects common in orthopedic procedures, including spinal fusions. IsoTis' current commercial business is highlighted by its Accell line of products, which the company believes represents the next generation in bone graft substitution.

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