

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 its 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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Certain statements in this press release are "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, including those that refer to management's plans and expectations for future operations, prospects and financial condition. Words such as "strategy," "expects," "plans," "anticipates," "believes," "will," "continues," "estimates," "intends," "projects," "goals," "targets" and other words of similar meaning are intended to identify such forward-looking statements. One can also identify them by the fact that they do not relate strictly to historical or current facts. Such statements are based on the current expectations of the management of IsoTis only. Undue reliance should not be placed on these statements because, by their nature, they are subject to known and unknown risks and can be affected by factors that are beyond the control of IsoTis. Actual results could differ materially from current expectations due to a number of factors and uncertainties affecting IsoTis' business, including, but not limited to, a competitive sales and marketing environment, the timely commencement and success of IsoTis' clinical trials and research endeavors, delays in receiving U.S. Food and Drug Administration or other regulatory approvals (i.e., EMEA, CE), including the risk that the Company is unable to obtain 510(k) clearance for its Accell products, that the FDA requires the Company to produce additional clinical data to support approval or clearance of its products, that the FDA imposes compliance measures against the Company for the marketing of its Accell products, including imposing fines and injunctions or causing the Company to recall its Accell products, market acceptance of IsoTis' products, effectiveness of IsoTis' distribution channels, development of competing therapies and/or technologies, the terms of any future strategic alliances, the need for additional capital, the inability to obtain, or meet, conditions imposed for required governmental and regulatory approvals and consents. IsoTis expressly disclaims any intent or obligation to update these forward-looking statements except as required by law. For a more detailed description of the risk factors and uncertainties affecting IsoTis, refer to the Annual Report on Form 20-F for the fiscal year ended December 31, 2005 of IsoTis SA, the predecessor of the Company, filed with the SEC, to IsoTis SA's reports filed from time to time with the Swiss Stock Exchange (SWX), Euronext Amsterdam N.V., SEDAR at www.sedar.com and the Toronto Stock Exchange (TSX), and to the reports filed from time to time by the Company with the SEC.