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**FOR IMMEDIATE RELEASE**

**SANUWAVE HEALTH REPORTS ON 2009 FINANCIAL RESULTS  
AND PROGRESS FOR THE YEAR**

**-- On Track to Announce Patient Enrollment Completed in the First Quarter of 2010 for the Investigational Device Exemption ("IDE") dermaPACE™ Wound Care Study on Diabetic Foot Ulcers--**

**-- Introduce orthoPACE™ to European Markets in 2010 --**

**-- Initiate Phase II IDE Study in U.S. for Treatment of Burns in 2010 --**

**ALPHARETTA, GA, March 31, 2010** – SANUWAVE Health, Inc., (OTC BB: SNWV) ([www.sanuwave.com](http://www.sanuwave.com)), an emerging medical technology company focused on regenerative medicine, reports its financial results for the fourth quarter and full year ended December 31, 2009, and on its progress for the year.

Christopher M. Cashman, President and CEO of SANUWAVE said, "We look back over 2009 and the first few months of this year with pride as the Company has made significant progress on both the clinical and corporate fronts. The decisions we made and the accomplishments achieved in 2009 have focused, strengthened, and positioned SANUWAVE to efficiently and clearly address the multiple opportunities ahead of us. We have now created a lean, responsive organization focused on clear, concise action items within our long term, strategic plan. We also continue to make significant preclinical and clinical progress to strengthen our basic science understanding, as well as to move our product candidates forward in the pipeline to commercialization. The following events in 2009 were important steps in SANUWAVE's continued progress:

- Neared enrollment completion of our Phase III pivotal Investigational Device Exemption ("IDE") dermaPACE™ wound care study on Diabetic Foot Ulcers (DFU).
- Preclinical findings led by Dr. Maria Siemionow at Cleveland Clinic of microcirculatory effects of PACE™ technology and evidence of proangiogenic growth factors immediately after PACE treatment in support of tissue regeneration observations were highlighted in an oral presentation titled "*Pulsed Acoustic Cellular Expression*" at The 10th Annual Wound Healing: *Science and Industry* Meeting.
- Dr. Myron Spector, PhD, Professor of Orthopaedic Surgery (Biomaterials) at Harvard Medical School, Director of Orthopaedic Research at Brigham and Women's Hospital and Director of Tissue Engineering at VA Boston Healthcare System, presented his orthopedic tissue regeneration research titled "*Extracorporeal Shock Wave Stimulation of Osteoprogenitor Cells*" at the 2009 International Bone-Tissue-Engineering Congress ("Bone-Tec") that PACE™ shows promise in stimulating autogenous sources of progenitor/stem cells for harvest and re-transplantation in bone tissue engineering.

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- Achieved ISO Certification of our United States operation and invested in internal research and development capabilities.
- Consolidated and streamlined our international operations back to corporate headquarters in Alpharetta, Georgia.
- Divested our veterinary product line in order to focus on our human clinical opportunities and upcoming commercialization activities.

Mr. Cashman continued, "We believe there are limited biologically advanced treatments that directly and reproducibly stimulate healing processes in the areas in which we are focusing, particularly for wound care and repair of certain types of musculoskeletal conditions. We have made several key announcements in early 2010 that are worth noting:

- The paper titled, *Extracorporeal Shock Waves, a New Non-Surgical Method to Treat Severe Burns*, appeared as an e-publication ahead of print in BURNS ([www.burnsjournal.com](http://www.burnsjournal.com)), and detailed the successful use of PACE™ protocols with the dermaPACE® device for the treatment of severe burns, including deep partial and full thickness burns. Between January and May 2009, patients with second and third degree burns received dermaPACE™ treatments of 500 impulses on days 3 and 5 after their injury. Burns healed uneventfully within 15 days for 12 out of 15 patients (80%), 2 patients required grafting and 1 patient was lost to follow up. No side effects were observed.

This study is important because approximately 27 million burn cases requiring professional treatment occur worldwide each year, according to the Wound Care Markets, 2nd Edition, Vol II. Burns: Market Report, resulting in a worldwide burn treatment market forecasted to reach \$2.6 billion in 2011. Our dermaPACE™ device has successfully treated burns safely and cost effectively in Europe, producing excellent results and in many cases, prevented patient trauma from additional surgery and skin grafting.

- A journal article titled *Extracorporeal Shock Wave Therapy for Nonunion of the Tibia*, was published in the March 2010 issue of the Journal of Orthopedic Trauma. Based on the results of the study, the authors suggested that non-invasive Extracorporeal Shock Wave Technology (ESWT) applied with SANUWAVE's Ossatron® device with one treatment session of 4000 pulses followed by fracture immobilization resulted in an 80% rate of healing of the nonunion bone fractures (incomplete fracture healing) as assessed by both clinical and radiographic means.

SANUWAVE expects to introduce a new commercial device to European markets called the orthoPACE™ during the second quarter of 2010 that is capable of treating in an equivalent energy range utilized in this study. The orthoPACE™ has a compact, portable design and allows for treatments to be performed by a single operator in both the hospital and office setting. SANUWAVE's strategy for orthoPACE™ in the United States is to focus our clinical efforts and FDA submissions on the \$4.2 billion orthopedic repair market.

On the clinical side, we are on track and expect to announce that we have completed patient enrollment in the first quarter of 2010 of the Investigational Device Exemption ("IDE") dermaPACE™ wound care study on diabetic foot ulcers. With a \$10 billion global advanced wound care market, which includes a \$2 billion U.S. diabetic foot ulcer market, we eagerly anticipate the results of the study, and ultimately, potential commercialization of our product in 2011."

“One of the many reasons we are excited by our PACE™ technology is its worldwide potential for treating multiple indications and replacing costly surgery. A case in point is the aforementioned positive European clinical burn results published by Juan P. Barrett, M.D., Ph.D., Head of the Department of Plastic, Aesthetic and Reconstructive Surgery and Director of the Burn Center at Vall d’Hebron University Hospital in Barcelona, Spain. Dr. Barrett’s study highlighted dermaPACE™’s ability to treat severe burns without the dangers and costs of surgery and/or skin grafting. These results also pave the way for us to initiate a Phase II, IDE study in the U.S. in 2010 using dermaPACE™ for the treatment of burns. Further, as PACE™ technology is already approved in Europe to treat acute and chronic wounds, including burns, we have begun discussions with European distributors to make PACE™ technology available to patients who could benefit from it. Along those lines we have also initiated discussions with widely recognized U.S. surgeons and wound care centers to begin the study of venous and complex chronic wounds, the largest portion of the \$5 billion U.S. advanced wound care market.”

“We also strengthened our Scientific Advisory Board with the appointment in January 2010 of Maria Siemionow, M.D., Ph.D., Director of Plastic Surgery Research, and Head of Microsurgery Training in the Plastic Surgery Department of Cleveland Clinic. Dr. Siemionow joined Dr. Ching-Jen Wang of The Chang Gung Memorial Hospital in Kaohsiung, Taiwan who is the foremost recognized researcher and author in the orthopedic shockwave applications and basic research science. Dr. Siemionow has been responsible for significant research on dermaPACE™ for the past three years, and we expect her role, and the contributions of the Scientific Advisory Board, to increase in scope as they assist management in assessing our technology and its emerging applications,” Mr. Cashman continued.

Mr. Cashman concluded, “We have much to look forward to in 2010 and beyond, including the unblinding of the results of our IDE study for dermaPACE™, the launch of new products in Europe for a wide range of orthopedic, sports medicine and trauma indications including acute and nonunion fracture treatment, the commencement of our Phase II IDE study in the U.S. for burns, and continued research on our PACE™ technology. We remain on track to commercialize our new orthoPACE™ product in Europe with its launch expected during the second quarter of 2010. With healthcare costs top of mind for patients, providers and payers alike, we believe SANUWAVE is well positioned to become an important participant in the regenerative medicine industry. We continue to believe SANUWAVE’s proven technology, broad patent portfolio, superior efficacy and cost profile, will help us to penetrate the global market for our products.”

### **Financial Results for the Fourth Quarter and Full Year**

SANUWAVE’s financial results for the fourth quarter of 2009 reflect the Company’s ongoing research and development of PACE™ technology for the dermaPACE™ IDE wound care study and development work for orthopedic and cosmetic uses. For the three months ended December 31, 2009, the Company reported a loss from continuing operations before income taxes of \$2.7 million compared to a loss from continuing operations before income taxes of \$3.2 million for the same period in 2008. The loss from continuing operations before income taxes includes: the non-cash compensation costs included in general and administrative expenses for stock compensation of \$0.5 million for the three months ended December 31, 2009, compared to \$0.1 million for the same period in 2008, due to new grants of options, warrants and restricted stock to management and directors of the Company in 2009; the non-cash costs for depreciation and amortization of \$0.3 million for the three months ended December 31, 2009, compared to \$0.2 million for the same period in 2008; and the costs of accrued deferred interest on notes payable to related parties of \$0.2 million for the three months ended December 31, 2009, compared to \$0.1 million for the same period in 2008.

For the three months ended December 31, 2009, the Company reported a net loss of \$2.7 million, or (\$0.22) per diluted share, compared to a net loss of \$1.6 million, or (\$0.14) per diluted share, for the same period in 2008. The net loss includes income (loss) from discontinued operations, net of taxes, of (\$1.2) million and \$1.3 million for the three months ended December 31, 2009 and 2008, respectively, related primarily to the veterinary product line sold in June 2009 for \$3.5 million.

For the year ended December 31, 2009, the Company reported a net loss of \$6.2 million, or (\$0.54) per diluted share, compared to a net loss of \$9.4 million, or (\$0.85) per diluted share, for the same period in 2008. The net loss for the year ended December, 2009 includes the gain, net of taxes, on the sale of the veterinary product line in June 2009 of \$1.5 million.

The Company ended 2009 with \$1.8 million of cash and cash equivalents compared with \$0.5 million as of December 31, 2008.

### **About SANUWAVE Health, Inc.**

SANUWAVE Health, Inc. ([www.sanuwave.com](http://www.sanuwave.com)) is an emerging medical technology company focused on the development and commercialization of non-invasive, biological response activating devices in the regenerative medicine area for the repair and regeneration of tissue, musculoskeletal and vascular structures. SANUWAVE's portfolio of products and product candidates activate biologic signaling and angiogenic responses, including new vascularization and microcirculatory improvement, helping to restore the body's normal healing processes and regeneration. SANUWAVE intends to apply its Pulsed Acoustic Cellular Expression (PACE™) technology in wound healing, orthopedic/spine, plastic/cosmetic and cardiac conditions. Its lead product candidate for the global wound care market, dermaPACE™, is CE marked for treatment of the skin and subcutaneous soft tissue and is currently involved in an FDA-approved Investigational Device Exemption trial in the U.S. for the treatment of diabetic foot ulcers. SANUWAVE researches, designs, manufactures, markets and services its products worldwide and believes it has already demonstrated that this technology is safe and effective in stimulating healing in chronic conditions of the foot (plantar fasciitis) and the elbow (lateral epicondylitis) through its U.S. Class III PMA approved Ossatron® device, as well as stimulating bone and chronic tendonitis regeneration in the musculoskeletal environment through the utilization of its Ossatron® and Evotron™ devices in Europe.

### **Safe Harbor Statement**

*This press release may contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, such as statements relating to financial results and plans for future business development activities, and are thus prospective. Forward-looking statements include all statements that are not statements of historical fact regarding intent, belief or current expectations of the Company, its directors or its officers. Investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, many of which are beyond the Company's ability to control. Actual results may differ materially from those projected in the forward-looking statements. Among the key risks, assumptions and factors that may affect operating results, performance and financial condition are risks associated with the marketing of the Company's product candidates and products, unproven pre-clinical and clinical development activities, regulatory oversight, the Company's ability to manage its capital resource issues, competition, and the other factors discussed in detail in the Company's periodic filings with the Securities and Exchange Commission. The Company undertakes no obligation to update any forward-looking statement.*

(FINANCIAL TABLES FOLLOW)

SANUWAVE HEALTH, INC. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS

	December 31, 2009	December 31, 2008
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,786,369	\$ 543,626
Accounts receivable - trade, net	47,966	52,414
Inventory	592,589	684,750
Prepaid expenses	121,157	106,617
Due from Pulse Veterinary Technologies, LLC	127,878	-
Current assets related to discontinued operations	-	1,285,017
TOTAL CURRENT ASSETS	<u>2,675,959</u>	<u>2,672,424</u>
PROPERTY AND EQUIPMENT, at cost, less accumulated depreciation	88,706	279,791
OTHER ASSETS	32,169	81,017
INTANGIBLE ASSETS, at cost, less accumulated amortization	2,147,295	2,454,051
ASSETS HELD FOR SALE	922,956	-
NON-CURRENT ASSETS RELATED TO DISCONTINUED OPERATIONS	-	1,011,734
TOTAL ASSETS	<u>\$ 5,867,085</u>	<u>\$ 6,499,017</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	\$ 1,069,423	\$ 975,811
Payroll and related	509,905	820,397
Accrued expenses	629,029	448,242
Liabilities related to discontinued operations	655,061	845,593
TOTAL CURRENT LIABILITIES	<u>2,863,418</u>	<u>3,090,043</u>
NOTES PAYABLE, RELATED PARTIES	8,887,981	6,006,815
TOTAL LIABILITIES	<u>11,751,399</u>	<u>9,096,858</u>
COMMITMENTS AND CONTINGENCIES	-	-
GOING CONCERN	-	-
STOCKHOLDERS' EQUITY (DEFICIT)		
PREFERRED STOCK	-	2,833
COMMON STOCK	12,510	89
ADDITIONAL PAID-IN CAPITAL	32,741,593	30,103,124
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)	21,864	(196,646)
RETAINED DEFICIT	(38,660,281)	(32,507,241)
TOTAL STOCKHOLDERS' EQUITY (DEFICIT)	<u>(5,884,314)</u>	<u>(2,597,841)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	<u>\$ 5,867,085</u>	<u>\$ 6,499,017</u>

SANUWAVE HEALTH, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended December 31, 2009	Three Months Ended December 31, 2008	Year Ended December 31, 2009	Year Ended December 31, 2008
REVENUES	\$ 121,907	\$ 183,207	\$ 660,725	\$ 1,045,858
COST OF REVENUES	96,374	70,775	225,790	352,723
GROSS PROFIT	25,533	112,432	434,935	693,135
OPERATING EXPENSES				
Research and development	701,044	1,279,446	3,387,204	3,675,631
General and administrative	1,592,977	1,774,327	5,026,425	7,801,416
Depreciation	214,626	83,122	365,108	276,724
Amortization	76,689	76,689	306,756	306,756
TOTAL OPERATING EXPENSES	2,585,336	3,213,584	9,085,493	12,060,527
OPERATING LOSS	(2,559,803)	(3,101,152)	(8,650,558)	(11,367,392)
OTHER INCOME (EXPENSE)				
Gain on sale of assets	7,716	-	3,207	-
Transitional services provided to Pulse Veterinary Technologies, LLC	94,375	-	230,625	-
Interest expense	(222,493)	(93,801)	(739,847)	(306,843)
Income/(loss) on foreign currency exchange	14,244	(23,393)	(30,184)	(52,528)
TOTAL OTHER INCOME (EXPENSE)	(106,158)	(117,194)	(536,199)	(359,371)
LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	(2,665,961)	(3,218,346)	(9,186,757)	(11,726,763)
INCOME TAX BENEFIT	1,203,172	333,718	1,203,172	333,718
LOSS FROM CONTINUING OPERATIONS	(1,462,789)	(2,884,628)	(7,983,585)	(11,393,045)
DISCONTINUED OPERATIONS				
Income/(loss) from discontinued operations, net of tax	(237,106)	1,299,464	344,200	1,984,127
Gain/(loss) on sale of veterinary division, net of tax	(1,002,683)	-	1,486,345	-
INCOME/(LOSS) FROM DISCONTINUED OPERATIONS	(1,239,789)	1,299,464	1,830,545	1,984,127
NET LOSS	\$ (2,702,578)	\$ (1,585,164)	\$ (6,153,040)	\$ (9,408,918)
EARNINGS (LOSS) PER SHARE:				
Loss from continuing operations - basic	\$ (0.12)	\$ (0.26)	\$ (0.70)	\$ (1.03)
Loss from continuing operations - diluted	\$ (0.12)	\$ (0.26)	\$ (0.70)	\$ (1.03)
Income/(Loss) from discontinued operations - basic	\$ (0.10)	\$ 0.12	\$ 0.16	\$ 0.18
Income/(Loss) from discontinued operations - diluted	\$ (0.10)	\$ 0.12	\$ 0.16	\$ 0.18
Net loss - basic	\$ (0.22)	\$ (0.14)	\$ (0.54)	\$ (0.85)
Net loss - diluted	\$ (0.22)	\$ (0.14)	\$ (0.54)	\$ (0.85)
Weighted average shares outstanding - basic	12,509,657	11,009,657	11,405,490	11,009,657
Weighted average shares outstanding - diluted	12,509,657	11,009,657	11,405,490	11,009,657

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