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Natus Medical Acquires RetCam Ophthalmic Imaging System

Advanced imaging system used in diagnosis and monitoring of neonatal retinal diseases

PLEASANTON, Calif., July 06, 2016 (GLOBE NEWSWIRE) -- **Natus Medical Incorporated** (NASDAQ:BABY) today announced that it has acquired the portfolio of RetCam imaging systems from Clarity Medical Systems, Inc. for \$10.6 million. RetCam is the market leading imaging system used to diagnose and monitor a range of ophthalmic maladies in premature infants. Over 1,800 RetCam systems are being used in over 85 countries.

"RetCam is the market leader in NICU ophthalmic imaging used in the detection of retinopathy of prematurity (ROP) in newborns," said Jim Hawkins, President and Chief Executive Officer. "The addition of Natus' global marketing strength to RetCam will increase market penetration and growth potential for this very important technology," Hawkins continued.

"We expect annual RetCam revenue of approximately \$14 million and expect it to be immediately accretive to 2016 earnings," said Hawkins.

About Natus Medical

Natus is a leading provider of healthcare products and services used in the screening, detection, treatment, monitoring and tracking of common medical ailments in newborn care, hearing impairment, neurological dysfunction, epilepsy, sleep disorders, and balance and mobility disorders.

Additional information about Natus Medical can be found at www.natus.com.

Forward Looking Statements

This press release contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995, particularly statements regarding the expectations, beliefs, plans, intentions and strategies of Natus. These forward-looking statements include statements regarding revenue and profitability of the RetCam product line and the anticipated market penetration of the RetCam products. These statements relate to current estimates and assumptions of our management as of the date of this press release, and future events or Natus' future financial performance or results, and involve known and unknown risks, uncertainties and other factors that may cause actual results, levels of activity, performance, or achievements to differ materially from those expressed or implied by the forward-looking statements. Forward-looking statements are

only predictions and the actual events or results may differ materially. Natus cannot provide any assurance that its future results or the results implied by the forward-looking statements will meet expectations. Our future results could differ materially due to a number of factors, including the effects of competition, the demand for our products and services, the impact of adverse global economic conditions on our target markets, our ability to expand our sales in international markets, our ability to maintain current sales levels in a mature domestic market, our ability to control costs, risks associated with bringing new products to market and integrating acquired businesses, and our ability to fulfill product orders on a timely basis. Natus disclaims any obligation to update information contained in any forward looking statement.

More information about potential risk factors that could affect the business and financial results of Natus is included in Natus' annual report on Form 10-K for the year ended December 31, 2015, and its subsequent quarterly reports on Form 10-Q, and in other reports filed from time to time by Natus with the U.S. Securities and Exchange Commission.

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