

DATE: March 22, 2007

FOR IMMEDIATE RELEASE

AMERICAN MEDICAL SYSTEMS HAS INITIATED A CLINICAL EVALUATION FOR A NEW MINIMALLY INVASIVE SLING INTENDED TO TREAT FEMALE STRESS URINARY INCONTINENCE

New MiniArc™ Single Incision Sling System Reduces Invasiveness and Enhances Patient Recovery

MINNEAPOLIS, MN, March 22, 2007 — American Medical Systems Holdings, Inc. (NASDAQ: AMMD) announced today that it has received FDA clearance and CE mark for the *MiniArc™ Single Incision Sling System*, a new, less invasive treatment for female stress urinary incontinence. AMS has already begun enrolling patients in a clinical evaluation to better understand safety, efficacy and physician training needs. *MiniArc* is the latest addition to the AMS family of sling products, which includes the market-leading *Monarc® Transobturator Subfascial Hammock*, the *SPARC® Suprapubic Sling System* and the innovative *BioArc®* hybrid slings.

The *MiniArc* sling system involves a simple, single incision procedure designed to reduce operative invasiveness and enhance patient recovery. *MiniArc* incorporates the proven mesh used in other AMS slings with a simple-to-use delivery system for easy mesh placement without additional skin incisions required with most other sling procedures. It is designed for use in the operating room; however, its low profile design and simple procedure may also make it appropriate for in-office use. AMS intends to study an office based application for the *MiniArc*. *MiniArc* is currently being evaluated in a limited number of global sites to provide physicians the opportunity to assess the effectiveness and ease-of-use of this innovative device prior to broad distribution. Martin J. Emerson, President and CEO of AMS, commented, “We are very excited about the potential of the *MiniArc* sling; however, we intend to meet our commitment to physicians and patients to provide clinical information supporting its use before we make the product widely available. This approach worked well for us with *Apogee®* and *Perigee®*, and we will follow a similar path to market with *MiniArc* as well. We look forward to completing our evaluation and introducing *MiniArc* globally later this year.”

Dr. Robert D. Moore of Atlanta, one of the nation’s leading urogynecologists and one of the first surgeons in the U.S. to implant *MiniArc*, said, “I am very excited with the results of the initial implants. *MiniArc*’s uncomplicated design makes it very easy to use and its slim needle profile allows for placement of the sling with minimal insertion force, resulting in very little bleeding. The fixation tips provide strong holding force and eliminate the need for incisions in the abdomen or groin. I am also reassured with the fact that *MiniArc* uses the same well-studied mesh that has been proven safe and effective with AMS’ *SPARC* and *Monarc* slings. The procedure is the least invasive sling to date that we have seen and AMS has once again provided us with groundbreaking technology to treat our female patients.”

March 22, 2007

Page 2 of 2

Ross A. Longhini, Executive Vice President and Chief Operating Officer of AMS, added, “AMS is committed to continuing our leadership position in this market by providing physicians with a less-invasive technology to treat female stress urinary incontinence. The breadth of our product line signifies our commitment to meeting the changing trends in this environment. We are excited about the strength of our product pipeline and continuing to work with physicians on nextgeneration technologies.”

About American Medical Systems

American Medical Systems, headquartered in Minnetonka, Minnesota, is a diversified supplier of medical devices and procedures to cure erectile dysfunction, benign prostatic hyperplasia, incontinence, menorrhagia, prolapse and other pelvic disorders in men and women. These disorders can significantly diminish one's quality of life and profoundly affect social relationships. In recent years, the number of people seeking treatment has increased markedly as a result of longer lives, higher quality-of-life expectations and greater awareness of new treatment alternatives. American Medical Systems' products reduce or eliminate the incapacitating effects of these diseases, often through minimally invasive therapies. The Company's products were used to provide approximately 240,000 patient cures in 2006.

About Atlanta Urogynecology, Inc.

The Atlanta Center of Laparoscopic Urogynecology was established in 1997 and since its inception, has helped pioneer the latest techniques in vaginal rejuvenation and repair.

Co-Directed by Dr. John R. Miklos and Dr. Robert D. Moore, the clinic performs more than 2,000 procedures on more than 500 women annually, from serious problems involving incontinence or prolapse to cosmetic vaginal rejuvenations.

Drs. Miklos and Moore have made it their premier pursuit to increase their patient's quality of life. Through continued research and study of innovative, unique surgical and non-surgical techniques, they have established the Atlanta Center for Urogynecology as one of the busiest centers for teaching, research, and surgery in the country. Each year more than 200 surgeons from around the world will travel to Atlanta to watch and learn from Drs. Miklos and Moore. Much of their experience, knowledge and surgical advances can be found in their recently published book, Vaginal Rejuvenation.

#

Contact: Tyler Barnett

Media Representative

323.937.1351

Tyler@cosmeticpublicrelations.com