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TWO-YEAR DATA DEMONSTRATING POOR LONG-TERM OUTCOMES FOR PATIENTS WITH TREATMENT-RESISTANT DEPRESSION TREATED WITH TREATMENT-AS-USUAL PRESENTED AT ANNUAL AMERICAN PSYCHIATRIC ASSOCIATION MEETING

HOUSTON, Texas, May 22, 2006 – Cyberonics, Inc. (NASDAQ:CYBX) today announced that new data from a two-year prospective, multi-center study of patients with chronic or recurrent treatment-resistant depression treated with unlimited treatment-as-usual (TAU) were presented at the annual American Psychiatric Association (APA) meeting on May 22, 2006 in Toronto, Canada. The unprecedented study followed 124 patients with severe TRD treated with medications, electro-convulsive therapy (ECT) and/or psychotherapy over a period of two years. David L. Dunner, M.D., Professor and Director of the Center for Anxiety and Depression at the University of Washington was the lead author of the poster presentation.

Despite the wide range of treatment options available for depression, the response rates, remission rates, and quality of life results observed in this study show that a majority of patients with TRD continue to have significant symptomatology and functional disability when receiving TAU. Importantly, response and remissions rates that were sustained over time were very low, indicating a high likelihood of relapse in this patient population.

“We have very limited evidence on how best to treat patients with TRD, since these patients are typically excluded from antidepressant trials,” commented Dr. Dunner. “These results demonstrate that patients with TRD do not experience relief of depressive symptoms with the range of available treatment options or combination of options. The recent FDA approval of VNS Therapy™ as the only treatment specifically studied and indicated for this patient population is an important step forward for this debilitating, life-shortening and difficult-to-treat illness. Qualified psychiatrists and TRD patients need unfettered access to this FDA-approved treatment option, whose long-term safety and effectiveness, unlike that of TAU, is proven in this patient population.”

“These important findings add to the rapidly building body of peer-reviewed evidence regarding the unique safety, effectiveness and cost-effectiveness of VNS Therapy in TRD and confirm the urgent need for psychiatrists and patients to have parity with neurologists and their epilepsy patients, in access to VNS Therapy,” said Robert P. (“Skip”) Cummins, Cyberonics’ Chairman of the Board and Chief Executive Officer. “No antidepressant treatment, other than VNS Therapy, has been studied or FDA-approved for use specifically in patients with VNS-indicated TRD. Payers’ coverage of TAU and denial of qualified psychiatrists’ and patients’ access to VNS Therapy is contrary not only to all available scientific and

pharmaco-economics evidence, but also the best interests of psychiatrists, patients and the payers, themselves. A review of the peer-reviewed data concerning the two-year response and remission rates of patients treated with VNS Therapy and annual healthcare costs of refractory epilepsy and TRD patients suggests that in TRD, VNS Therapy is five times more valuable to payers than VNS Therapy in epilepsy.”

In July 2005, the FDA approved VNS Therapy as an adjunctive long-term treatment of chronic or recurrent depression for patients 18 years of age or older who are experiencing a major depressive episode and have not had an adequate response to four or more adequate antidepressant treatments. VNS Therapy is the first FDA-approved implantable device-based treatment for depression and the first treatment developed, studied, approved and labeled specifically for patients with TRD. Peer-reviewed data published in *Biological Psychiatry* and the *Journal of Clinical Psychiatry* confirm the association of VNS Therapy with significant antidepressant benefits that are sustained and/or increase over time for patients with chronic or recurrent treatment-resistant depression. It is estimated that more than four million Americans experience TRD and one-third of these patients experience significant suicidal ideas or gestures.

To date, more than 5,000 psychiatrists have been trained at Cyberonics-sponsored medical education programs, 2,650 psychiatrists have identified over 10,000 potential VNS patients, 180 different payers have approved individual case by case use of VNS Therapy, 1,100 patients have been treated with VNS Therapy and approximately 4,700 patients have been denied access to VNS Therapy by their insurance providers. The Company is actively working with psychiatrists, patients, patient advocacy organizations, employers and payers to provide psychiatrists and patients with TRD the same universal access to VNS Therapy enjoyed by neurologists and their epilepsy patients through broad based coverage policies for the past six years.

ABOUT VNS THERAPY AND CYBERONICS

Information on Cyberonics, Inc. and VNS Therapy is available at www.cyberonics.com and www.vnstherapy.com.

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