

XOFT TO PRESENT AT THE CITI INVESTMENT RESEARCH RADIATION ONCOLOGY CONFERENCE

Recent Closure of \$25 Million in Additional Funding and Multiple FDA Clearances Drive Momentum for Xoft's Electronic Brachytherapy (eBx) Platform

SUNNYVALE, Calif., September 4, 2008 – Xoft, Inc., developer of the Axxent® Electronic Brachytherapy (eBx) System, a proprietary cancer treatment platform that utilizes X-rays to deliver non-radioactive, isotope-free radiation therapy directly to cancer sites, today announced that it will present at the 2008 Citi Investment Research Emerging Medical Technology Conference on Radiation Oncology. Xoft president and CEO, Michael Klein, will present on September 4 at 1:30 pm at the Citi Executive Conference Center.

Xoft joins other Radiation Oncology industry leaders at the 2nd Annual Radiation Oncology Conference, including Accuray, Calypso Medical, TomoTherapy and Varian Medical.

“We are pleased to be among the leaders in Radiation Oncology gathering to review emerging technologies and external factors that are expected to have dramatic impact on the industry, such as reimbursement levels, potential isotope shortages, and recent Nuclear Regulatory Commission recommendations to evaluate alternatives to radiation sources, such as isotopes, that may pose a national security risk,” said Klein. “Because eBx uses an electronic source, it mimics the therapeutic value of isotopes while mitigating such national security concerns, representing a very viable alternative.”

Commercially available for accelerated treatment of early stage breast cancer and endometrial and rectal indications, the Axxent® Electronic Brachytherapy System is also cleared for use in the treatment of other cancers or conditions where radiation therapy is indicated. As a platform technology, the Axxent System addresses a variety of oncological and non-oncological indications. The Axxent System is designed to deliver non-radioactive therapy directly to cancer sites with minimal radiation exposure to surrounding healthy tissue. Designed to deliver electronic, X-ray-based radiation treatment, the proprietary Axxent treatment platform can be used in many clinical settings under the supervision of a radiation oncologist, without the need for a shielded room.

In its treatment of early stage breast cancer, the Axxent Electronic Brachytherapy System provides the opportunity to reduce the therapy time required from seven weeks (for external radiation therapy) down to five days. As a result, tens of thousands of patients will have greater access to therapy that is delivered more easily and conveniently. This may accelerate patient choice of breast sparing lumpectomy surgery with adjuvant radiation therapy over the alternative of a full mastectomy.

“With the recent additional financing, multiple FDA clearances for the Axxent System and prestigious awards from Frost & Sullivan and R&D Magazine recognizing innovation and impact on the oncology industry, we are excited about the future of this important technology and its continued market adoption,” added Klein.

About Xoft, Inc.

Xoft, founded in 1998, develops Electronic Brachytherapy (eBx) systems based upon miniaturized X-ray tube technology for the practice of radiation oncology in virtually any clinical setting, eliminating the need for heavily shielded environments. Xoft provides a “point of care model” that is patient centric and accessible to a broader spectrum of patients and their physicians. The Axxent treatment platform provides a therapeutic dose of intracavitary radiation directly to the region at risk with minimal radiation exposure to surrounding healthy tissue and without the complex handling, resource logistics and costs associated with using radioactive isotopes. Xoft aligns with the Nuclear Regulatory Commission’s (NRC) directive to seek alternatives for radioactive medical isotopes. For more information, visit www.xoftinc.com.

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