First Data Derived from ABCD Worldwide EndoBarrier Registry Presented at ADA Shows Sustained Metabolic Improvements in Patients with Obesity and Type 2 Diabetes at Six Months Post-explant

Boston, United States
Sydney, Australia
12 June 2017 AEST

- *HbA1c decreased by 2% at 18 months*
- *Weight decreased by over 14 kg*
- *BMI decreased by over 5 points*
- *Insulin eliminated in 44% of patients*
- *ABCD Worldwide EndoBarrier Registry now has >250 entries*

BOSTON and SYDNEY – 12 June 2017 – GI Dynamics®, Inc., (ASX:GID), a medical device company that has commercialized EndoBarrier® in Europe for patients with type 2 diabetes and obesity, today announced data from a UK National Health Service (NHS) EndoBarrier Registry presented at the American Diabetes Association's 77th Scientific Sessions demonstrated that metabolic improvements made by patients while implanted with EndoBarrier were sustained six months after EndoBarrier was explanted.

The poster presentation, "Maintenance of Efficacy After Endobarrier in UK 1st National Health Service (NHS) Endobarrier Service," detailed data from 12 patients in the inaugural NHS EndoBarrier service at City Hospital in Birmingham, UK. These patients completed a 12-month implantation of EndoBarrier and were evaluated six months following explantation: 75 percent (9 out of the 12) sustained considerable metabolic improvements, including weight loss, body mass index (BMI) reduction and lower glucose levels.

"This data from the ABCD[1] Worldwide EndoBarrier Registry is from a range of patients from our practice who remained obese and with poor diabetes control despite all of the standard treatments," said Robert Ryder M.D., consulting diabetologist at City Hospital. "The intent of this study was to evaluate the effect of EndoBarrier in a real-world practice environment."

Investor Relations
United States:
Janell Shields
Investor Relations
+1 (781) 357-3280
investor@gidynamics.com

Media Relations
United States:
Nicole Franklin
+1 (617) 657-1312
nfranklin@jpa.com

[1] Association of British Clinical Diabetologists

Boston, United States
Sydney, Australia
12 June 2017 AEST

"Understanding the longer-term impact of Endobarrier is essential as we consider different metabolic interventions to address obesity and type 2 diabetes," said Dr. Ryder. "In addition to sustained weight loss, BMI reduction and glucose improvement, these patients self-reported considerable improvements in wellbeing, energy, fitness and exercise ability. Most exciting is that 3 of 9 patients discontinued insulin at month twelve, and the fourth patient eliminated insulin during the 6 months post explant."

	EndoBarrier		**6 mo. follow-up**
	0-12 months		18 months
	implant/Baseline	explant:12 months	6 months post explant
HbA1c, %	**9.7%**	**7.2%**	**7.7%**
Reduction, absolute %		2.5%	-0.5%
		from baseline:	*2.0%*
Total Body Weight, kg	**117**	**99**	**102**
Reduction, kg		18	-3
		from baseline:	*15*
BMI (kg/m^2)	**42**	**35**	**36**
Insulin, iU/day	**104**	**48**	**10**
Reduction, iU/ day		56	38
		from baseline:	*94*

n=12 / insulin users: n =9

Data from 12 patients six months after the removal of EndoBarrier demonstrates an average weight loss of more than 14 kg from the baseline and average reduction in body mass index (BMI kg/m^2) of 5.6 points. Additionally, HbA1c levels in patients decreased by an average 26.7 mmol/mol, or an average of 2.0 percent from baseline levels. Nine of the 12 patients in the study were treated with insulin prior to the implantation of EndoBarrier. At six months post-explantation, four patients representing 44 percent of those insulin-treated patients were able to discontinue insulin entirely.

"The team at City Hospital in Birmingham created the first NHS service and with that service have demonstrated that EndoBarrier is highly effective in treating patients with refractory type 2 diabetes and obesity," said Scott Schorer, president and chief executive officer of GI Dynamics. "Most notable is the durability data showing retention

Investor Relations
United States:
Janell Shields
Investor Relations
+1 (781) 357-3280
investor@gidynamics.com

Media Relations
United States:
Nicole Franklin
+1 (617) 657-1312
nfranklin@jpa.com

of much of the HbA1c reductions despite significant reductions in median insulin usage at six months post explant from 104 iu/day to 10 iu/day."

Boston, United States
Sydney, Australia
12 June 2017 AEST

"In addition to strong durability data six months following the removal of EndoBarrier, the patients themselves gave this innovative procedure high marks. 81% of the patients would be highly likely to recommend EndoBarrier to friends and family members" said Schorer.

About GI Dynamics

GI Dynamics, Inc. (ASX:GID), is the developer of EndoBarrier, the first endoscopically-delivered device therapy approved for the treatment of type 2 diabetes and obesity. EndoBarrier is not approved for sale in the United States and is limited by federal law to investigational use only in the United States. Founded in 2003, GI Dynamics is headquartered in Boston, Massachusetts. For more information, please visit www.gidynamics.com.

Forward-Looking Statements

This announcement contains forward-looking statements concerning the potential for EndoBarrier as an important treatment option for patients with type 2 diabetes and obesity. These forward-looking statements are based on GI Dynamics management's current estimates and expectations of future events as of the date of this announcement. Furthermore, the estimates are subject to several risks and uncertainties that could cause actual results to differ materially and adversely from those indicated in or implied by such forward-looking statements. These risks and uncertainties include but are not limited to, risks associated with obtaining funding from third parties; the consequences of stopping the ENDO trial and the possibility that future clinical trials will not be successful or confirm earlier results; the timing and costs of clinical trials; the timing of regulatory submissions; the timing, receipt and maintenance of regulatory approvals; the timing and amount of other expenses; the timing and extent of third-party reimbursement; risks associated with commercial product sales, including product performance, competition, market acceptance of products, intellectual-property risk; risks related to excess inventory; and risks related

Investor Relations
United States:
Janell Shields
Investor Relations
+1 (781) 357-3280
investor@gidynamics.com

Media Relations
United States:
Nicole Franklin
+1 (617) 657-1312
nfranklin@jpa.com

Boston, United States
Sydney, Australia
12 June 2017 AEST

to assumptions regarding the size of the available market, the benefits of our products, product pricing, timing of product launches, future financial results and other factors, including those described in our filings with the U.S. Securities and Exchange Commission. Given these uncertainties, one should not place undue reliance on these forward-looking statements. We do not assume any obligation to publicly update or revise any forward-looking statements, whether as a result of new information or future events or otherwise, unless we are required to do so by law.

###

Investor Relations
United States:
Janell Shields
Investor Relations
+1 (781) 357-3280
investor@gidynamics.com

Media Relations
United States:
Nicole Franklin
+1 (617) 657-1312
nfranklin@jpa.com