



## NEWS RELEASE

### **BIOSENSORS REPORTS PROFITABLE OPERATING RESULTS AND RECORD PRODUCT REVENUE IN THE FIRST QUARTER OF FISCAL 2010**

**Singapore 27 July 2009** - Biosensors International Group, Ltd. ("Biosensors" or the "Company", Bloomberg: BIG SP) today announced record product revenues and profitable results for its first quarter of fiscal year 2010 which ended 30 June 2009 ("1Q FY10").

For 1Q FY10 Biosensors reported product revenues of US\$22.4 million, a 31% increase over the US\$17.1 million reported in the first quarter of fiscal year 2009 ("1Q FY09"). Product sales growth for the quarter was primarily attributable to increased drug-eluting stent sales which increased to US\$11.5 million in 1Q FY10 compared to US\$7.2 million in 1Q FY09, an increase of 59%. The increase in drug-eluting stent sales is directly related to continued growth in sales of the Company's BioMatrix™ drug-eluting stent system. Sales of other interventional cardiology products also increased by 12% to US\$7.6 million from US\$6.8 million in 1Q FY09, driven by increased sales in the Asian and European markets. Sales of critical care products also increased to US\$3.2 million from US\$3.0 million in 1Q FY09 due to increased sales primarily in China.

Licensing revenue in 1Q FY10 was US\$1.4 million, compared to US\$41.0 million for 1Q FY09, which included a one-time US\$40.0 million payment received from Terumo Corporation for a modification of an existing licensing agreement between Biosensors Europe and Terumo. Excluding this one-time non-recurring payment, total revenue for 1Q FY10 grew from US\$18.0 million to US\$23.8 million, or 32%, over 1Q FY09.

Mr. Mike Kleine, President and CEO said, "Our first quarter operating results reflect the continued progress of our Company. In addition to 31% product revenue growth over last year's first quarter, product revenues increased by 9% sequentially over the final quarter of FY09. While we are pleased with our sales progress, this quarter marks an even more important milestone for Biosensors. The Company achieved profitability on an overall basis without any of the non-recurring items, such as one-time licensing arrangements, that have occurred during previous periods. Our profitability is a function of several factors, including our continued sales growth, combined improved gross margins and positive results of our cost reduction programs. We are pleased to achieve the profitability milestone so quickly this year and remain committed to our goal of overall profitability for FY10."

Research and development (“R&D”) expenses, which include costs for new product development and testing, clinical trials, patent registrations and regulatory approvals, were US\$3.6 million in 1Q FY10 compared to US\$7.1 million in the prior year’s corresponding period. The sharp decrease in R&D spending is a direct result of last year’s restructuring efforts combined with decreased clinical trial expenses and a sharpened focus on R&D project costs. The primary elements of R&D expenses for the current and prior year quarters represent European clinical trial expenses, payroll-related costs and professional expenses.

Sales and marketing expenses were US\$7.2 million in 1Q FY10 compared to US\$5.9 million in the prior year’s corresponding quarter. The increase was primarily due to higher headcount costs as we continue to expand our sales force and marketing activities in Europe, Asia and Latin America as well as increased warehousing and selling expenses.

General and administrative expenses were US\$4.7 million in 1Q FY10 compared to US\$5.7 million in the prior year’s corresponding quarter. The decrease was mainly attributable to lower payroll expenses, office-related expenses and professional fees.

Included in 1Q FY10 is the equity method of accounting for the Company’s 50% ownership interest in JW Medical Systems Ltd (“JWMS”) which resulted in a net income of US\$3.1 million, compared to US\$1.5 million for 1Q FY09. For the quarter under review, JWMS sold approximately US\$16.0 million of its drug-eluting stents, compared to US\$12.2 million for 1Q FY 09. The sales and net profits reported by JWMS are the highest results achieved by JWMS since Biosensors’ acquisition of its 50% ownership position in September 2007.

For 1Q FY10, the Group reported a net profit of US\$4.2 million or 0.40 US cent earnings per basic share and 0.39 US cent earnings per diluted share, compared to net earnings of US\$16.5 million or 1.56 US cent earnings per basic share and 1.50 US cent earnings per diluted share for the prior year’s corresponding period. Without the license modification revenue of US\$40.0 million recognized in 1Q FY09, the Company’s basic loss per share would have been 2.23 US cents loss per basic and diluted share.

Mr. Kleine concluded, “We remain committed to our core goals and milestones for fiscal 2010. We are striving for continued sales and clinical trial success with BioMatrix, increasing profitability through growth and cost management, introducing new products, advancing the R&D pipeline and participating in China’s explosive growth through JWMS. We are very pleased with the start of our fiscal year.”

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## **About Biosensors International Group, Ltd**

Biosensors develops, manufactures and markets innovative medical devices used in interventional cardiology and critical care procedures. Biosensors is well-positioned to emerge as a leader in drug-eluting stents and has developed a pipeline of next-generation products that are being positioned to gain market share from traditional therapies such as conventional drug-eluting stents, bare-metal stenting and open-heart surgery. It has three separate stent programs, Gazelle, a bare-metal stent, *BioMatrix*<sup>®</sup>, a drug eluting stent with a bioresorbable polymer, and BioFreedom<sup>™</sup>, a completely polymer-free drug-eluting stent in development.

For more information, please visit [www.biosensors.com](http://www.biosensors.com).

## **About BioMatrix<sup>®</sup>**

BioMatrix<sup>®</sup> offers the unique combination of an innovative anti-restenotic drug, Biolimus A9<sup>®</sup>, a biodegradable poly-lactic acid polymer (PLA), and an advanced, highly flexible stent designed for enhanced deliverability.

Biolimus A9 was designed specifically for use in drug-eluting stent systems. In addition to effective immunosuppressive and anti-inflammatory properties, the drug has a higher lipophilic and hydrophobic profile than other limus analogs, enabling rapid absorption of the drug into the targeted tissue and reduced systemic exposure. Precision automated coating ensures the PLA and drug combination is applied only to the abluminal (outer) surface of the stent. The PLA fully degrades into water and carbon dioxide as the drug elutes, ultimately leaving in place a biocompatible stent surface.

For more information, please visit [www.biomatrix.com](http://www.biomatrix.com)

### **Forward-Looking Statements**

*Certain statements herein include forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements generally can be identified by the use of forward-looking terminology, such as “may,” “will,” “expect,” “intend,” “estimate,” “anticipate,” “believe,” “project” or “continue” or the negative thereof or other similar words. All forward looking statements involve risks and uncertainties, including, but not limited to, customer acceptance and market share gains, competition from companies that have greater financial resources; introduction of new products into the marketplace by competitors; successful product development; dependence on significant customers; the ability to recruit and retain quality employees as Biosensors grows; and economic and political conditions globally. Actual results may differ materially from those discussed in, or implied by, the forward-looking statements. The forward-looking statements speak only as of the date of this release and Biosensors assumes no duty to update them to reflect new, changing or unanticipated events or circumstances.*