



## LMA International NV

**FOR IMMEDIATE RELEASE**

### **LMA REPORTS IMPROVED SALES PERFORMANCE IN INTERNATIONAL WEST MARKETS FOR Q1 FY2008**

**Singapore, 6 May 2008** – Mainboard-listed LMA International N.V. (“LMA” or the “Group”), the global leader in the development and marketing of the LMA™ laryngeal mask airway range of supraglottic airway management devices, has reported significant sales improvements in its International West Division for the first quarter (“Q1”) ended 31 March 2008, although sales for the Group were only 4% up over the corresponding quarter in FY2007.

International net sales of anaesthesia products increased by 8% over Q1 FY2007, boosted by sales growth across all divisions: International West (comprising Europe, Middle East, Africa and Latin America), International East (ASEAN countries), Australia and New Zealand (through subsidiary LMA PacMed Pty Ltd), and in Germany. However, Q1 net sales of anaesthesia products in the United States at US\$14.1 million grew only 1% over Q1 FY2007 in the face of intensified price competition.

Gross profit from sales of anaesthesia products at US\$15.5 million in Q1 FY2008 increased by 1% over the corresponding period last year. Gross margin for anaesthesia products showed a marginal decline from 66% in Q1 FY2007 to 65% as a result of the on-going conversion from reusable to single-use devices and a higher percentage of sales of non-LMA products distributed on behalf of third parties. This decline was partially mitigated by a higher margin from the Group’s latest product LMA Supreme™ which contributed more than 5% to group net sales in Q1 FY2008.

Selling, general and administrative expenses (“SG&A”) at US\$13.2 million for Q1 FY2008 increased by US\$2.0 million or 18% from US\$11.2 million for Q1 FY2007. Excluding expenses for LMA Urology, SG&A increased by US\$1.7 million or 16% over Q1 FY2007, due to higher legal costs related to intellectual property protection in the United States and increased expenditure in sales and marketing at anaesthesia conferences and events around the world. In Q1 FY2008, SG&A expenses (excluding LMA Urology) were 51% of net sales, 5 percentage points higher than in Q1 FY2007.

As a result of the increased operating costs, pre-tax income declined by 40% over Q1 FY2007, while net income excluding non-cash stock compensation charge declined by 26% to US\$2.9 million.

Mr John Lim, Executive Deputy Chairman of LMA, said, “While the Group’s bottomline this quarter declined over the same quarter last year, we are pleased with the overall stronger sales performance of the International market segment, and especially with the improved performance in the International West division. In addition, the pickup in sales of the LMA Supreme™ has been encouraging, following the availability of adult sizes 3, 4 and 5 at the end of last year and we anticipate further increases for the rest of the year.”

Added Mr Lim, “We expect sales of our new products LMA PerfecTemp™ and the recently acquired Pain Care® range of ambulatory infusion pumps to contribute to our sales growth in this financial year. We will continue to seek other synergistic product acquisitions and focus additional efforts and resources on product innovation and new product development.”

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**About LMA**

Incorporated in the Netherlands Antilles in 1998, LMA listed on the Mainboard of the Singapore Exchange in March 2005. LMA designs, develops, markets and distributes

medical equipment, principally the LMA™ laryngeal mask airway range of supraglottic airway management devices. These devices are used by physicians to allow respiration, provide ventilation to, and support the airway of patients undergoing surgical procedures and life-saving interventions. Since its first product, the LMA Classic™, was approved by the FDA for use in the United States in 1991, LMA's growth has been driven by the development of innovative products, geographic expansion, and increased customer awareness of the LMA™ laryngeal mask airway as an alternative airway management device. LMA has established a leading position in this growing market.

LMA has an office in Jersey, Channel Islands, and subsidiaries in Singapore, Bonn, Germany, San Diego, California and Melbourne, Australia. Through its 50 percent joint venture in LMA Urology Limited, the Group has a subsidiary in Gland, Switzerland to design, manufacture and distribute the LMA StoneBreaker™.

DBS Bank and Credit Suisse were the Joint Global Coordinators and Joint Bookrunners for the Initial Public Offering of shares in LMA.