



LMA International NV

FOR IMMEDIATE RELEASE

LMA REPORTS DOUBLE DIGIT SALES AND PROFIT GROWTH FOR Q3

- Expects continued sales growth despite current global financial crisis
- Sales of single-use devices and new products up 27% and 22% respectively

Singapore, 3 November 2008 – Singapore-listed LMA International NV (“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 double digit sales and profit growth for the third quarter (“Q3”) of the financial year ending 31 December 2008 (“2008”).

The increase in topline performance was boosted by strong sales from the International markets over a relatively weak Q3 in 2007 and increased demand for LMA Supreme™ and single-use devices.

	Three months ended 30 Sep 08	Three months ended 30 Sep 07	Increase/ (Decrease)	Nine months ended 30 Sep 08	Nine months ended 30 Sep 07	Increase/ (Decrease)
	US'000	US'000	%	US'000	US'000	%
Group net sales	28,041	22,863	22.6	81,095	74,279	9.2
Gross profit	17,948	15,506	15.7	52,378	50,267	4.2
Total operating income	3,897	3,172	22.9	10,119	13,955	(27.5)
Net income	2,875	1,230	133.7	9,701	10,208	(5.0)

Q3 2008 vs. Q3 2007

Group net sales increased by 23% to US\$28.0 million in Q3 2008, contributed by sales of anaesthesia products in International markets and the Pain Care® range of ambulatory infusion pumps in the United States. Total sales of single-use devices increased 27% in Q3 2008 over Q3 2007, due to increased sales of the revolutionary airway management device LMA Supreme™, while sales of other products increased by 64% in Q3 2008 over the corresponding period in 2007.

LMA continued to maintain its market leadership position in the United States, reporting a 7% rise in sales to US\$15.5 million despite the competitive environment. In the International markets, sales of anaesthesia products jumped by 53% over Q3 2007 to US\$11.6 million, boosted by a successful tender order from Iraq and strong performance by its International West Division, where sales in Q3 2007 had been adversely affected by a disruption to its distributor ordering pattern.

The Group reported a gross profit of US\$17.9 million for Q3 2008, an increase of US\$2.4 million or 16% over Q3 2007, while gross profit from anaesthesia products increased by US\$2.1 million or 14% in Q3 2008 over Q3 2007. Gross margin declined to 64% in Q3 2008 from 68% in Q3 2007 due to the continued shift in product mix towards lower margin single-use products, increased sales of third party devices and a US\$0.5 million provision for product obsolescence.

Selling, general and administrative expenses (“SG&A”) for Q3 2008 increased by US\$1.8 million from US\$11.6 million in Q3 2007, mainly due to increased expenses from sales and marketing activities and the legal costs of ongoing Intellectual Property protection in the United States and Europe. In the ongoing cases, the Board continues to believe that LMA has strong cases in its current litigation, particularly against Ambu A/S.

The Group recorded total operating income of US\$3.9 million in Q3 2008, an increase of 23% over Q3 2007. Net income rose 134% in Q3 2008 to US\$2.9 million, from US\$1.2 million reported in Q3 2007.

Year to date (YTD) 2008 vs. YTD 2007

The 9% increase in net sales for YTD 2008 was generated through sales growth in the United States and in the International markets, up 6% and 18% respectively over YTD 2007.

Gross margin for anaesthesia products dipped to 65% from 68% in the same period last year, primarily due to ongoing changes in product mix. Net income reported in YTD 2008 declined marginally by 5% to US\$9.7 million from US\$10.2 million in YTD 2007.

Outlook

The outlook for the Group remains positive despite the highly competitive operating environment. Sales of the LMA Supreme™, the Pain Care® range of ambulatory infusion pumps and LMA PerfecTemp™ are all expected to contribute positively to the Group’s sales growth for the full year.

Although the current global financial crisis is expected to significantly affect many industries and adversely impact business performance in the coming months, including to some extent the healthcare market, LMA expects its business to continue to grow. The Group’s strong brand, new innovative products and global sales and distribution network will provide a solid platform for organic growth, while its strong cash reserves will allow it to pursue further acquisition opportunities that may become available in the current economic climate.

The recent appointment of Mr Lawrence Kinet as Group Chief Executive Officer and the continued strengthening of its management team will help to further improve the Group’s execution capability.

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For media queries, please contact:

Gavin Anderson & Company Singapore, Tel: +65 6339 9110

Sharon Seetho, Email: sseetho@gavinanderson.com.sg, Tel: +65 9009 8495

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.