



## LMA International NV

**FOR IMMEDIATE RELEASE**

### **LMA REPORTS US\$24.2 MILLION NET SALES IN Q1 FY2009 DESPITE WEAK OPERATING ENVIRONMENT**

- Sales maintained despite ongoing global economic downturn
- Significant contributions from recently introduced devices and new products
- Strong cash position and no debt

**Singapore, 6 May 2009** – Mainboard-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 announced its results for first quarter (“Q1”) for the financial year ending December 31, 2009 (“FY2009”).

Despite the effects of tight liquidity and reduced capital budgets across all markets as a result of the continuing weak economic climate, the Group achieved net sales of US\$24.2 million in Q1 FY2009, a 1% decline from US\$24.5 million reported in Q1 FY2008. Contribution from net sales was impacted by foreign exchange volatility. Based on FY2008 exchange rates, Group net sales would have increased by 3.5%.

The Group reported US\$23.4 million in sales of anaesthesia products, a decrease of 3% from US\$24.1 million in Q1 FY2008. Sales of the LMA Supreme™ and Pain Care® range of ambulatory infusion pumps were significant contributors to total sales. Total number of single-use units sold grew by 14%, or 0.2 million units, driven mainly by demand for the LMA Supreme™.

All key markets continued to face intense price competition during the quarter. The United States reported US\$14.3 million in sales of anaesthesia products for the quarter, a 1% increase over Q1 FY2008, while contribution from International markets declined 9% to US\$9.1 million in Q1 FY2009 from US\$10.0 million in Q1 FY2008.

Total selling, general and administrative expenses decreased 1% in Q1 FY2009 from US\$13.2 million in Q1 FY2008. Based on FY2008 exchange rates, SG&A was 2% higher than the previous year. Excluding expenses for LMA Urology and Pain Care®, SG&A decreased by US\$0.5 million or 4% from Q1 FY2008.

Operating income declined 10% to US\$2.4 million (excluding operating losses incurred by LMA Urology) while net income (excluding non-cash stock compensation charge) for Q1 FY2009 was US\$1.8 million, a decrease of 38% from US\$2.9 million in Q1 FY2008.

The Group continues to have a strong balance sheet with cash balances of US\$34.4 million and no debt at the end of the quarter.

### **Developments in Q1 FY2009**

The prolonged weak economic environment continues to impact the global medical device industry. During the quarter, the Group focused its efforts on consolidating its position in the anaesthesiology arena, evaluating its strengths and reviewing its internal capabilities.

Following the global distribution agreement signed with Cook Medical at the end of 2008 for the LMA StoneBreaker™, the Group completed its preparation for the commencement of sales by Cook in Q2 FY2009. The LMA StoneBreaker™ was exhibited at urology conferences and meetings in the United States and Europe and continues to be well received.

LMA recently announced that its US subsidiary LMA North America, Inc. has entered into a new three-year vendor supply agreement with one of the leading group purchasing organizations, MedAssets Supply Chain Systems, for the LMA Pain Care® line of disposable ambulatory pain pumps. LMA North America has been a contracted vendor with MedAssets for the past six years for the LMA™ range of laryngeal mask airway management devices and this latest agreement, effective 1 April 2009, builds on the strength of the Group's relationship with a key customer.

### **Post Q1 FY2009 developments**

On 28 April 2009, the German Federal Patent Court ruled in favour of LMA, upholding the validity of its Utility Model DE 299 24738 patent, following Ambu's appeal against an earlier decision of the German Patent Office confirming its validity in July 2007. This patent protects

LMA's invention and use of a reinforced tip on its supraglottic airway devices. The latest decision by the German Federal Patent Court will now allow LMA to pursue its damages claim against Ambu in Germany for infringing this patent.

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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. DBS Bank and Credit Suisse were the Joint Global Coordinators and Joint Bookrunners for the Initial Public Offering of shares in LMA. For more information, visit [www.lmanv.com](http://www.lmanv.com).