

Biosensors reports strong sales in Q1 FY12

26 July 2012 | Company results | By BioSpectrum Bureau

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Singapore: Biosensors International, a developer, manufacturer and marketer of innovative medical devices, has achieved total revenue of \$86.3 million, representing 51 percent year-on-year growth for its first fiscal quarter ended June 30, 2012.

Sales of interventional cardiology products, largely made up of drug-eluting stent (DES), were \$65.7 million, up a significant 74 percent year-on-year. Gross margin on total product sales was 81 percent, a five percent improvement quarter-over-quarter and seven percent higher year-on-year.

The company achieved \$33.7 million operating profit, representing 44 percent year-on-year growth, while net profit excluding exceptional items grew 17 percent year-on-year to \$28.3 million.

"We have achieved yet another quarter of strong growth in our revenues, profits and operating cash flow. This is due to the sustained robust growth in the IVP sales, consolidation of the operating results of JW Medical System (JWMS), and increased licensing revenue," said Dr Jack Wang, CEO, Biosensors. "During the EuroPCR, we announced four-year data from the DIVERGE study, which showed that the use of our Axxess bifurcation DES resulted in positive clinical results. We continue to see encouraging growth in physicians' adoption of Axxess. At the same time, we also announced that our BioMatrix Flex was chosen as the stent platform for GLOBAL LEADERS, the largest ever clinical trial involving a DES, and also our plans for LEADERS FREE, the first large-scale study for our BioFreedom DCS, which is awaiting CE Mark approval. This demonstrates our commitment to build a significant body of clinical evidence before commercializing BioFreedom."

For Q1 FY13, Biosensors reported total revenue, including licensing and royalties, of \$86.3 million, a 51 percent increase over \$57.0 million in the first quarter of fiscal year 2012 (Q1 FY12). Correspondingly, IVP sales rose to \$65.7 million, up 74 percent from \$37.7 million in Q1 FY12. This was largely due to the full-quarter consolidation of JWMS' results and continued growth in the sales of the company's BioMatrix family of DES. Sales revenue of critical care products (CCP) was \$3.3 million,

compared to \$3.7 million in the same period last year.

Licensing and royalties revenue grew to \$17.3 million, a year-on-year increase of 10 percent from \$15.6 million in Q1 FY12.

Gross margin on total revenue rose to 85 percent for the quarter from 82 percent in the previous quarter and 81 percent in Q1 FY12. Gross margin on total product sales was 81 percent, compared to 76 percent in the previous quarter and 74 percent in Q1 FY12. Reduction in manufacturing cost, favorable geographical and product mix contributed to the improvement in the gross product margin.

"Looking ahead, despite the challenging global macro economic developments, we remain confident about our growth prospects for the fiscal year," concluded Dr Wang. "Our DES growth stays strong. At the same time, we are committed to continue boosting our competitiveness by demonstrating more positive clinical evidence with our existing and pipeline products. On the merger and acquisition front, we will continue to explore various opportunities to grow Biosensors to greater heights."