



NEWS RELEASE

BIOSENSORS REPORTS FINANCIAL RESULTS FOR THE SECOND QUARTER AND FIRST HALF OF FISCAL YEAR 2015

Singapore, 12 November 2014 – Biosensors International Group, Ltd. (“**Biosensors**” or the “**Company**”, Bloomberg: BIG SP; Reuters: BIOS.SI; SGX: B20), a developer, manufacturer and marketer of innovative medical devices, today announced financial results for the second quarter of its Fiscal Year 2015 (“**Q2 FY15**”) and first half ended 30 September 2014 (“**H1 FY15**”).

Second Quarter Highlights and Recent Developments:

- In September, Mr. Jose (“Pepe”) Calle Gordo assumed his role as the Company’s new Chief Executive Officer (CEO).
- Total revenue was US\$74.8 million, compared with US\$83.0 million in the second quarter of Fiscal year 2014 (“**Q2 FY14**”).
- Outside of China, sales of the Company’s drug-eluting stents (“**DES**”) continued to grow year-on-year. The BioMatrix™ family of DES saw a modest increase in volume growth as sales continued to transition to the newer BioMatrix NeoFlex™ product, although increased competition and price erosion remained as headwinds.
- The Company’s own DES volume sales in Japan doubled and revenue also increased by over 70% from a year ago. However, licensing and royalty revenue for the quarter was US\$5.9 million compared with US\$10.8 million in Q2 FY14 as both international and Japan sales of Nobori™ by our licensing partner, Terumo Corporation (“**Terumo**”), fell year-on-year.
- The Company completed an agreement with Terumo to distribute a private label version of Nobori™ in Japan after its current licensing contract with Terumo ends.
- The Cardiac Diagnostic division again delivered robust growth. Sales reached US\$3.9 million, representing 62% year-over-year growth. The gross margin of this segment also continued to increase.
- Management continued to invest in important clinical trials – mainly the BioFreedom™ studies for the U.S. and Japan markets – while making good progress in improving its overall cost structure.

“Our Q2 FY15 performance for both the revenue and operating profit lines were less than satisfactory, particularly in comparison with the same period a year ago which showed negative growth. The key reasons for the year-over-year declines were continued pressure on our China business as well as the sales drop of Terumo’s Nobori in both Japan and ex-Japan territories,” commented Mr. Calle. “On a positive note, we saw that our DES revenue outside of China continued to grow year-on-year. The Cardiac Diagnostic division also delivered more than 60% growth from the same period last year. In addition, our own distribution business for Terumo in Japan grew more than 70% from a year ago, with a substantial improvement in the penetration rate of the accounts that we have compared to Q1 FY15.”

Performance Summary for Q2 FY15

For Q2 FY15, Biosensors reported total revenue of US\$74.8 million, a 10% decrease from US\$83.0 million in Q2 FY14, as a result of lower product revenue and lower licensing and royalty revenue. Product revenue of US\$68.9 million represented a 5% year-on-year decrease from US\$72.2 million in Q2 FY14, as the revenue growth of Cardiac Diagnostic and Critical Care Products (“CCP”) was offset by an 8% year-on-year decrease in the revenue of Interventional Cardiology Products (“IVP”).

Licensing and royalty revenue for Q2 FY15 was US\$5.9 million compared with US\$10.8 million in Q2 FY14 and US\$9.7 million for Q1 FY15.

Gross margin on total product sales was 70% for the quarter, down from 73% in Q2 FY14 largely attributable to changes in product mix and price erosion.

Total operating expense as a percentage of product revenue for the quarter was 64%, compared with 61% in Q2 FY14.

In detail, the quarter’s sales and marketing (“**S&M**”) expense was US\$26.0 million; general and administrative (“**G&A**”) expense was US\$9.5 million; research and development (“**R&D**”) expense, which included costs for new product development and testing, clinical trials, patent registration and regulatory approval, was US\$8.3 million.

Net profit before exceptional items for Q2 FY15 was US\$4.4 million, or basic earnings per share (“**basic EPS**”) and diluted earnings per share (“**diluted EPS**”) of 0.26 US cents. This compares to a net profit before exceptional items of US\$11.5 million, or basic and diluted earnings per share of 0.67 US cents for Q2 FY14.

Net profit including exceptional items for Q2 FY15 was US\$4.9 million, or both basic and diluted loss per share of 0.29 US cents. This compares with a net profit of US\$11.3 million, or a basic EPS of 0.66 US cents and diluted EPS of 0.65 US cents, for Q2 FY14 after including exceptional items.

Performance Summary for the First Half of FY15

For H1 FY15, Biosensors reported total revenue of US\$155.0 million compared with US\$159.7 million for H1 FY14; the slight revenue drop was mainly attributable to lower licensing and royalty revenue.

Product revenue of US\$139.3 million represented a slight increase over US\$137.3 million in H1 FY14, attributable to growth in Cardiac Diagnostic and CCP revenues partially offset by lower IVP revenue.

Licensing and royalty revenue for H1 FY15 was US\$15.7 million, compared with US\$22.4 million for H1 FY14.

Gross margin on total product sales was 70% for H1 FY15 compared with 74% for the same period last year largely attributable to changes in product mix and price erosion.

Total operating expense as a percentage of product revenue for H1 FY15 was 64%, compared with 63% in the same period last year.

In detail, sales and marketing (“**S&M**”) expense in H1 FY15 was US\$52.9 million; general and administrative (“**G&A**”) expense was US\$20.1 million; research and development (“**R&D**”) expense, which included costs for new product development and testing, clinical trials, patent registration, and regulatory approval, was US\$15.3 million.

Net profit before exceptional items for H1 FY15 was US\$14.3 million, or both basic and diluted EPS of 0.84 US cents. This compares with a net profit before exceptional items of US\$23.6 million, or basic EPS of 1.38 US cents and diluted EPS of 1.36 US cents, for H1 FY14.

Including exceptional items, net profit for H1 FY15 was US\$14.8 million, or basic EPS of 0.87 US cents and diluted EPS of 0.86 US cents. This compares with a net profit of US\$23.4 million, or basic EPS of 1.36 US cents and diluted EPS of 1.35 US cents, for H1 FY14 after including exceptional items.

“In the first half of FY2015, we experienced sustained softness in our overall business that was more severe than we had expected,” said Mr. Calle. “In view of the prevailing market environment, we are now heavily focused on improving our operational efficiency and enhancing the effectiveness of our execution. We believe that an efficient operational structure is the foundation to enhancing our overall profitability. Over the long run, we will continue to strengthen our position in the worldwide cardiovascular market and develop or acquire innovative technologies to broaden our product portfolio. Our vision is to become a bigger global player with multiple product platforms and I am committed to leading this company and taking the right steps toward achieving that,” Mr. Calle concluded.

Conference Call Information

Biosensors’ management will host an analyst conference call at 6:00 pm (Singapore time) on 12 November 2014 to discuss the financial results and provide an update on the Company’s progress. A live audio webcast of this analyst conference call will be available through Biosensors’ corporate website at www.biosensors.com on the day of the event.

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About Biosensors International Group, Ltd.

Biosensors International Group, Ltd. develops, manufactures and markets innovative medical devices, aiming to improve patients' lives through pioneering medical technology that pushes forward the boundaries of innovation. Founded in 1990, the Company was listed on the Mainboard of the Singapore Stock Exchange in 2005.

The Group currently operates through four business units ("BU"): the Cardiovascular BU, composed primarily of Excel™ and the BioMatrix™ family of drug-eluting stents and stent technologies such as BA9™; the Cardiac Diagnostic BU, including Spectrum Dynamics products that offer advanced medical imaging and clinical solutions to help interventional cardiologists determine the most appropriate treatment for patients; the Peripheral Intervention BU, offering solutions for the treatment of patients with peripheral arterial disease; and the Critical Care Products BU, which fosters the development of critical care catheters, hemodynamic monitoring, and related devices used during heart surgery procedures, vascular surgery procedures and intensive care treatment.

The Group has operations worldwide and is headquartered in Singapore.

For more information, please visit www.biosensors.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.