

RNS Number : 8430V  
EKF Diagnostics Holdings PLC  
18 January 2013

**EKF Diagnostics Holdings plc  
("EKF" or the "Company")**

**Pre-close Trading Update**

EKF Diagnostics Holdings plc (AIM: EKF), the point-of-care diagnostics business, provides the following pre-close trading update for the financial year ended 31 December 2012.

EKF traded well in the second half of 2012 with unaudited revenues for the full year of approximately £26.1m, an increase of c. 20% on the previous year (2011: £21.7m).

Adjusted EBITDA for the period is expected to be ahead of previously upgraded market consensus, showing an improvement of nearly double that of the previous year. This outperformance in adjusted EBITDA is a direct result of the Board's continued sales focus on higher margin products.

Cash generation was strong and cash as at 31 December 2012 was £4.2m (as at 30 June 2012: £3.2m), with a net cash position of £2.3m.

Sales of higher margin reagents, particularly Beta-Hydroxybutyrate (BHB) have continued to perform strongly. The second half also benefitted from the growing contribution of HemoPoint H2 instruments and cuvette sales through Alere in the US. In 2012 Alere sold 2,460 HemoPoint H2 instruments into the North American market compared to 608 sold by Stanbio in the previous year, which demonstrates the significant growth opportunity in the US, particularly as sales through Alere only began on 15 April 2012. Following the launch in July 2012 of Quo-Lab, a low cost HBA1c analyser for developing markets, we have seen considerable interest in the product with over 200 instruments being sold in the final quarter.

At the end of the year EKF received a further order from the Instituto Mexicano del Seguro Social ("IMSS"), the Mexican Institute of Social Security, for cuvettes for the HemoPoint H2. This follows on from the \$3.6m order announced in November 2011 to supply the IMSS with 3,500 HemoPoint H2 instruments and related cuvettes. Whilst \$0.7m of the order will be recognised in the 2012 figures, c. \$1.4m will contribute to sales for 2013 and this, combined with the January being the best month ever for Quotient sales, means that EKF has had a good start to the new financial year.

Julian Baines, CEO of EKF commented: *"I am delighted with the strong*

*performance shown by the business in 2012. Our continued focus on margin improvement has delivered EBITDA which is again ahead of expectations as well as strong cash generation. Looking forward, the contract from IMSS and the strong sales of Quo-Test and Quo-Lab we've recorded in January marks a confident start to 2013."*

The Company will announce its preliminary results for the year ended 31 December 2012 on Monday, 18 March 2013.

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**About EKF Diagnostics Holdings plc**

EKF Diagnostics Holdings plc was formed in July 2010 following the acquisition of EKF-diagnostic GmbH for €14.32m and refocused its strategy to one of building a substantial point of care diagnostics business. As part of this strategy, the Group has integrated three further acquisitions, Quotient Diagnostics Limited (acquired in October 2010 for a maximum of £5.41m), Argutus Medical Limited (acquired in December 2010 for £2.18m) and Stanbio Laboratory L.P. (acquired in June 2011 for a maximum of US\$25.5m).

The Company, with its head office in Cardiff and operations in London, Germany, Poland, Russia, Ireland and the US, is a leading diagnostics business, focused on the development, production and distribution of chemical reagents and analysers for the testing of Glucose, Lactate, Haemoglobin, Haematocrit and HbA1c.

In May 2011 EKF entered into a distribution agreement with Alere Inc ("Alere"), a global diagnostics company, under which Alere was appointed the exclusive distributor of EKF's CLIA waived Hemo\_Control device and cuvettes in the US, Canada and United Kingdom. The device is distributed in the US under the name HemoPoint H2.

For more information please visit the website: [www.ekfdiagnostics.com](http://www.ekfdiagnostics.com)

This information is provided by RNS  
The company news service from the London Stock Exchange

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