

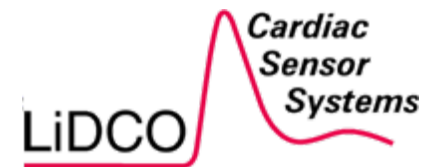


LiDCO Group Plc 2009 Interim Results Presentation

29 October 2009

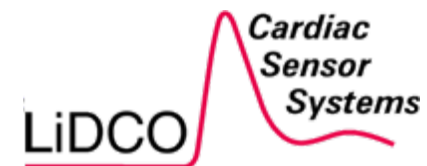
- Minimally invasive hemodynamic monitors providing reliable and accurate assessment of the hemodynamic status of critical care and surgery patients
- Aimed at the intensive care (*LiDCOplus*) and surgery anaesthesia (*LiDCOrapid*) markets
- The LiDCO monitors give accurate, real time information on blood pressure, fluid responsiveness, cardiac output/oxygen delivery and stroke volume response
- This helps physicians manage patient fluids / medications during intensive care and aids anesthetists during surgery:
 - optimizing fluids
 - maintaining blood flow
 - preventing low oxygen delivery
- LiDCO's technology is minimally invasive, using existing arterial and peripheral / central or other venous access
 - No incremental risk to the patient associated with the use of additional catheters

- London, UK based and AIM-quoted Med-Tech Plc
- 2008 launch of LiDCO*rapid* opened up US\$800m surgery opportunity
- Global market moving from invasive catheters to less invasive technologies
- US\$1.2bn market potential for minimally invasive hemodynamic monitoring
- Enhanced product range driving sales growth – also helping to expand distributor network
- Good growth in turnover up 23%
- Significant increase in installed base – monitors sold or placed in the period up by 78%



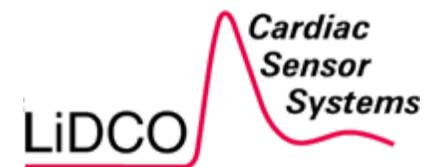
L i D C O TM Financial highlights

- Revenues up 23% at £2.49 million (2008: £2.02 million)
- Recurring revenue increased 41% to £1.63 million (2008: £1.16 million)
- Product margins remain healthy: 50% on monitors and 89% on disposables
- Gross profit up 12% to £1.51 million; gross margin 61% (2008: 68%)
- Operating loss down 11% (based on 2008 foreign currency rates) to £964,000 (2008: £1.09 million); actual operating loss £1.19m
- Loss per share 0.74p (2008: 0.71p)
- USA sales up by 233% at £1.16 million (2008: £348,000), with a rise of 157% in recurring disposables income
- £3.02 million (net) of equity raised in the period
- Cash balance of £2.54 million
- Borrowings reduced to £400,000

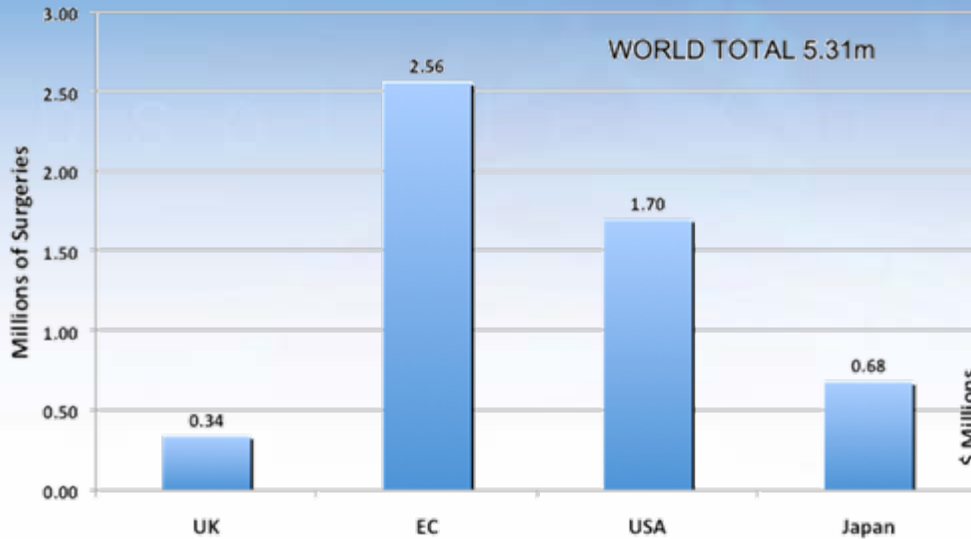


L i D C O TM Operational highlights

- Substantial progress with distributor arrangements in world's three biggest markets:
 - USA: Aspect Medical; reduces direct sales costs by £0.65m per annum
 - Japan: Becton, Dickinson
 - Germany: Absolute Medical
 - Combined up-front licence fees of US\$1.5 million
- Disposables volumes up 53% to 21,083 Sensors & Smartcards (2008: 13,788 units)
- Monitors sold or placed in the period up by 78% (2009: 280 units vs. 2008: 157)
- Installed monitor base up by 19% in the period to 1,790 units
- Significant increase in level of recurring revenue - up in all territories - now representing 69% of product income
- LiDCO*rapid* selected as sole technology for OPTIMISE trial - UK Government sponsored multi-centre surgical outcomes study
- Second generation LiDCO*rapid* software launched

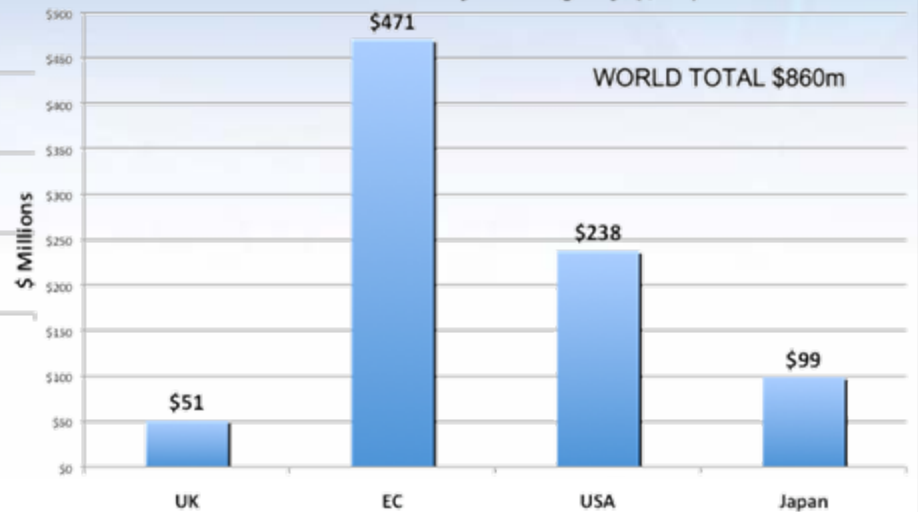


Numbers of Major Surgery Procedures



TOTAL SURGERIES	AVG PRICE	MARKET SIZE
5.31M	\$162	\$860M

Market Size - Major Surgery (\$m)



Reference: Pearse et al., Critical Care 2006, 10:R81
(doi:10.1186/cc4928)

- Increasing pressure to reduce costs and improve profit in hospitals
- Surgical complications lose hospitals money
- Complications (infections and organ failure) can be a direct consequence of the older forms of catheter technologies and occult low oxygen delivery during anesthesia
- Increasing acuity/morbidity of patients and emerging evidence-based regulatory climate
 - requirement to reduce complications and improve survival outcome
- Hemodynamic monitoring for surgery patients
 - reduces complications & costs and increases attractiveness of the hospital's care
 - reduces catheter use, optimizes fluids & oxygen delivery = improved outcomes
- Use of LiDCO's technology on high-risk surgery patients can:
 - reduce complications by more than one third
 - reduce costs by £4,800 per patient
 - reduce hospital stay per patient by an average of 12 days
 - save hospitals up to £2m per year

Income statement

	Six Months ended 31 July 2009 £'000	Six Months ended 31 July 2008 £'000	Year ended 31 January 2009 £'000
Revenue	2,494	2,022	4,532
Cost of sales	(983)	(675)	(1,512)
Gross profit	1,511	1,347	3,020
Administrative and distribution costs	(2,703)	(2,436)	(4,816)
Loss from operations	(1,192)	(1,089)	(1,796)
Finance income	1	44	57
Finance expense	(8)	(20)	(31)
Loss before tax	(1,199)	(1,065)	(1,770)
Income Tax	56	60	120
Loss per share (basic and diluted) (p)	0.74p	0.71p	1.16p

Summary cash flow

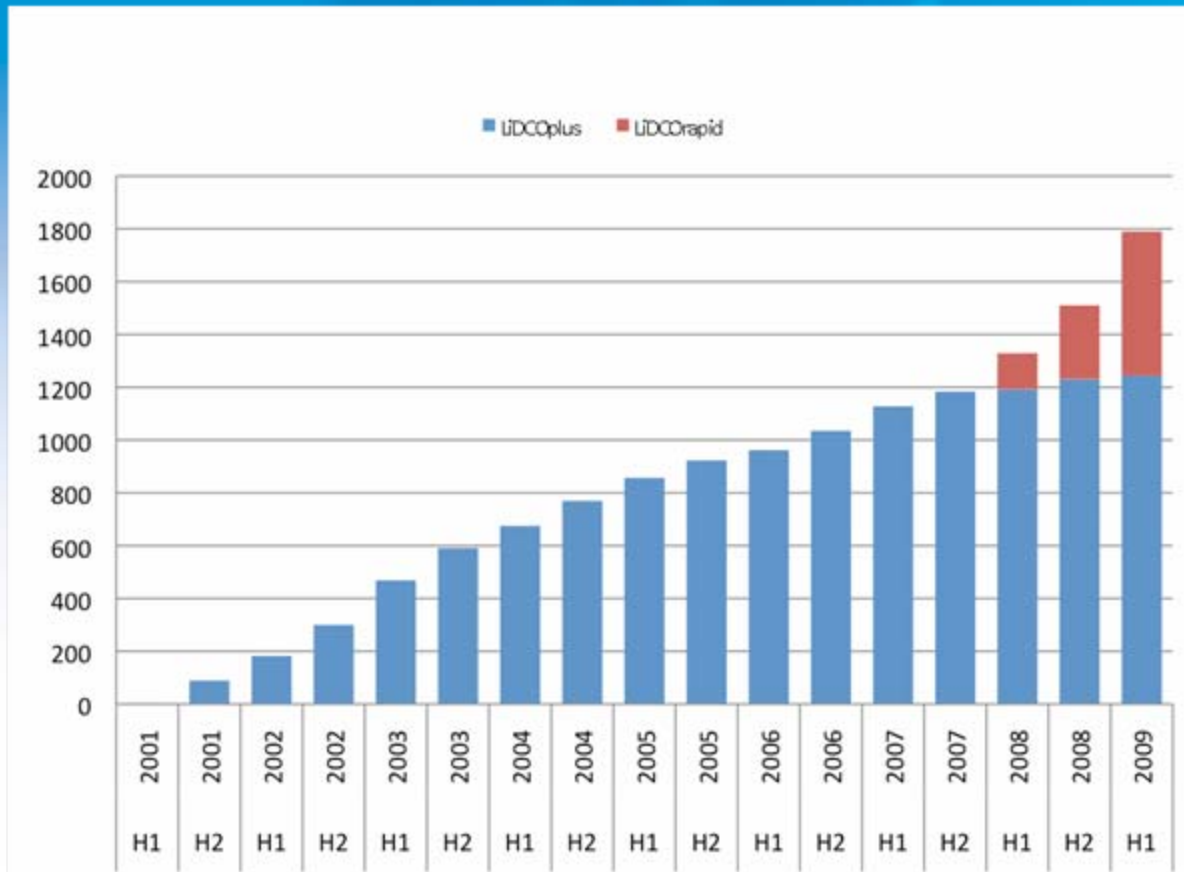
	Six Months ended 31 July 2009 £'000	Six Months ended 31 July 2008 £'000	Year ended 31 January 2009 £'000
Operating loss	(1,192)	(1,089)	(1,796)
Net cash outflow from operating activities	(448)	(1,048)	(1,204)
Net cash used in investing activities	(295)	(241)	(598)
Net cash outflow before financing	(743)	(1,259)	(1,802)
Cash flows from financing activities			
Repayment of Finance lease	(5)	-	-
Issue of ordinary share capital	3,022	-	-
Convertible loan drawdown/(repayment)	-	-	(553)
Invoice discounting financing facility	(278)	-	364
Net cash generated from financing activities	2,739	-	(189)
Net (decrease)/increase in cash and cash equivalents	1,996	(1,259)	(1,991)
Opening cash and cash equivalents	243	2,234	2,234
Closing cash and cash equivalents	2,239	975	243

Balance sheet

	Six Months ended 31 July 2009 £'000	Six Months ended 31 July 2008 £'000	Year ended 31 January 2009 £'000
Non-current assets	1,386	1,533	1,417
Current assets	5,555	2,948	3,346
Current liabilities	(1,360)	(1,222)	(1,560)
Net current assets	4,195	2,273	1,786
Total assets less current liabilities	5,581	3,806	3,203
Total equity	5,100	3,779	3,179
Non-current liabilities	481	27	24
Total equity and non-current liabilities	5,581	3,806	3,203

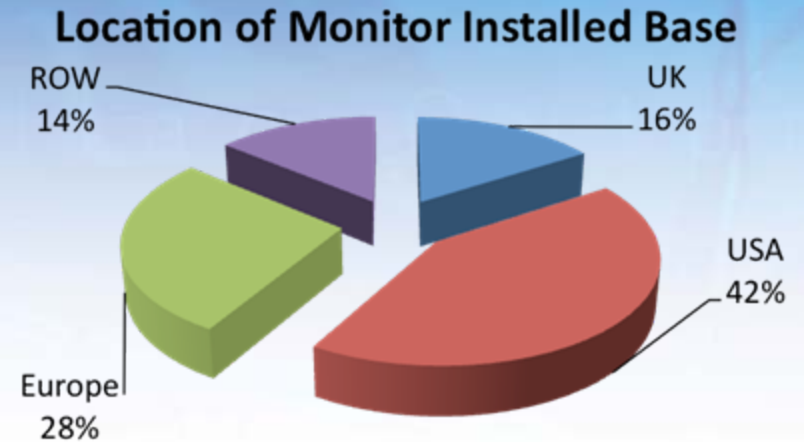
Summary Sales Table

	Six Months to 31 July 2009	Six Months to 31 July 2008	Increase/ decrease	Increase/ Decrease %
Sales by type (£'000)				
- Monitors	745	866	(121)	(14%)
- Sensors/Smartcards/Fee per Use	1,627	1,156	471	41%
- Licence Fees	122	0	122	100%
Total	2,494	2,022	472	23%
Sales by Units				
Monitors sold/placed	280	157	123	78%
Sensor, Smartcard and Fee per Use Sales	21,083	13,788	7,295	53%
Installed Base (end period)	1,790	1,329	461	35%



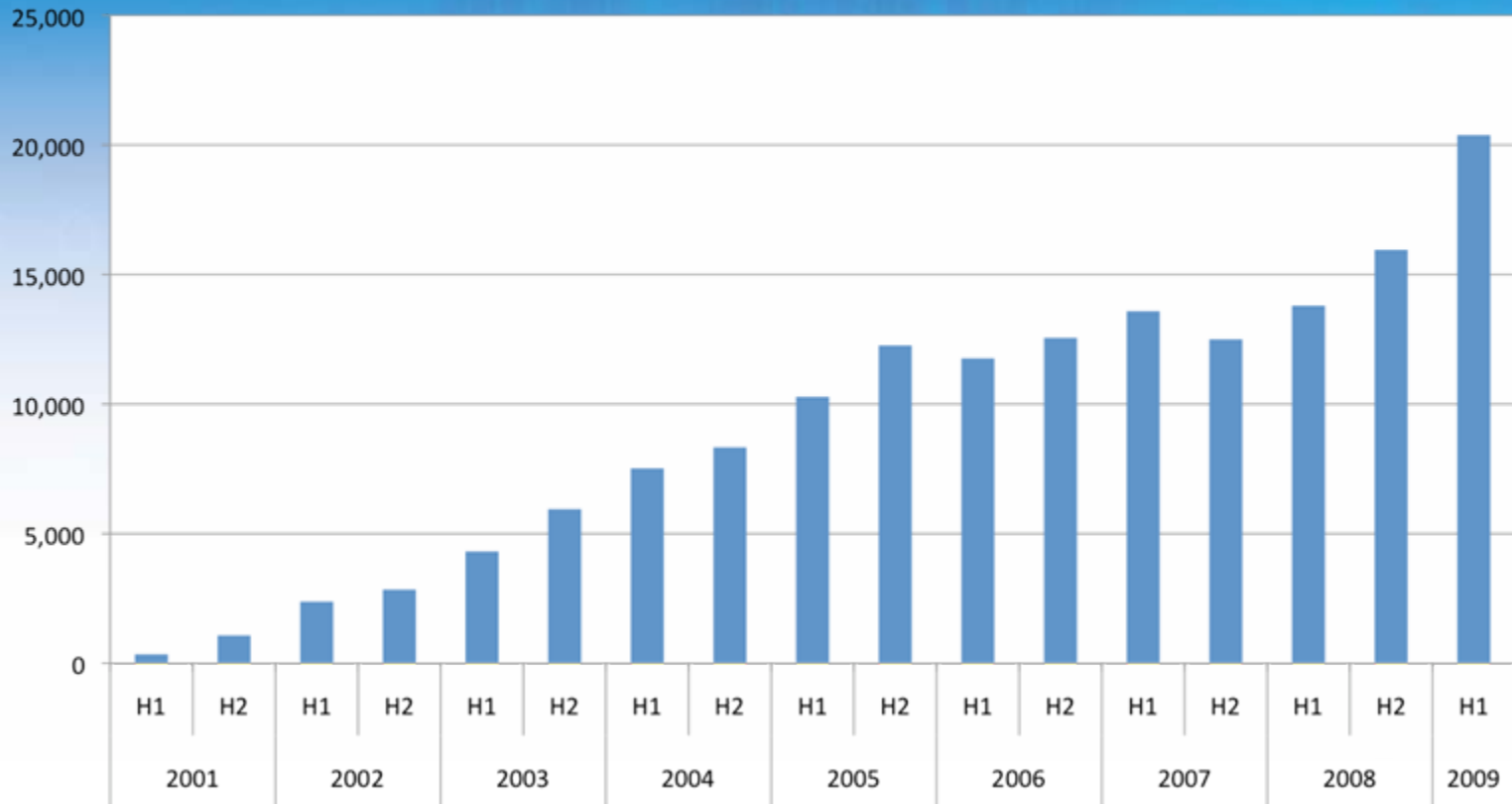
The installed base increased by **280** monitors

Monitor installed base now @ 1790 units up 19%



LIDCO™ Disposable sales

Disposables Units Sold Half Yearly





Aspect Medical Systems

A pioneer and global market leader in monitoring technology for surgery

- has one of the biggest anaesthesia medical product sales teams in the US
- currently sells into over 80% of operating rooms in major US hospitals



Becton Dickinson

One of the world's leading medical device companies

- directly markets LiDCO*rapid* in Japan
- provides global sales & marketing support to LiDCO's UK sales team and network of distributors

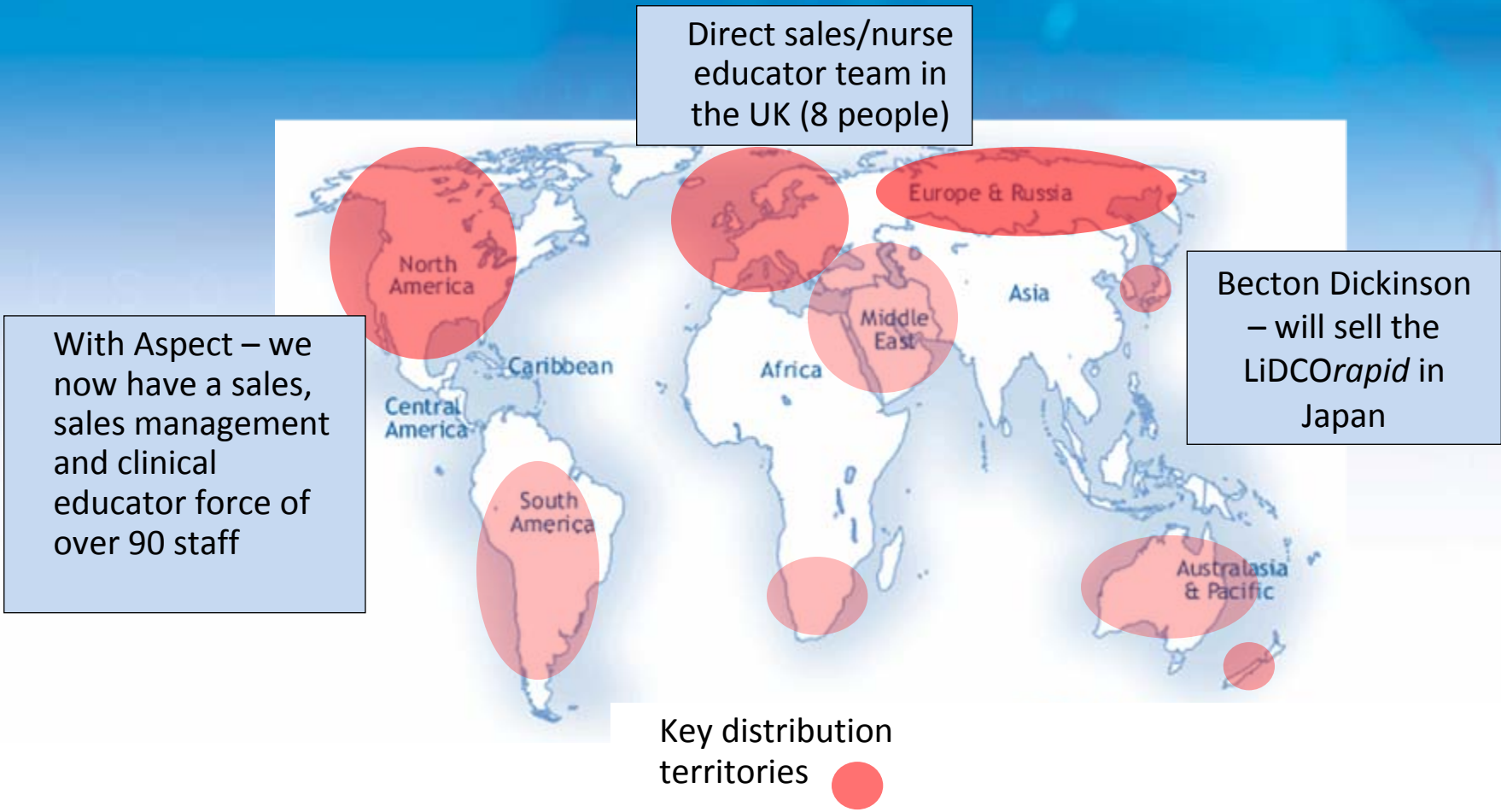


Absolute Medical

Focused on sales and distribution to acute care, critical care and anaesthesia hospital departments

- targets the biggest hemodynamic monitoring market in Europe
- provides access to the third largest medical device market in the world

Strong distribution network



LiDCO products are now available across the world through more than 30 distributors

US Distribution partners at the ASA 2009



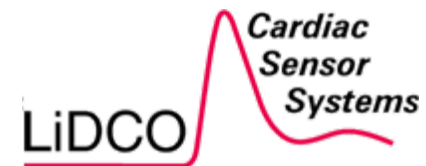
- UK government-supported multi-centre trial in the UK
 - Aims to improve surgical outcomes by optimising cardiovascular management
- Largest trial in the world to date
 - 12 centres
 - 726 adult high-risk patients undergoing major abdominal surgery
- LiDCO*rapid* Monitor is the sole cardiac output monitoring system
- Co-ordinated by Dr Rupert Pearse, consultant and senior lecturer in intensive care medicine at Barts and The London NHS Trust
- Supported by £850,000 grant from the National Institute for Health Research

L i D C O TM Research and Development

- LiDCO's R&D efforts are focused on increasing customers' access to our minimally invasive hemodynamic monitoring
- R&D is carried out in-house through our experienced team with specialist knowledge of: sensor manufacture, signal processing and user interface design

Main Projects

- Version 1.02 *LiDCOrapid* – launched July 2009
- Universal pressure waveform module – launch expected Q4 2009/ Q1 2010
- Language localisation - launch expected first half 2010



- Strong cash position in presence of capital constraints
- Capital to adopt flexible monitor financing in UK and with smaller distributors
- Major partners in place in USA & Japan
- Growing acceptance of technology with growing shift in attitude by both hospitals and insurers
- Chosen for large scale (726 patients) multi centre OPTIMISE trial
- With US partner plans are to converge technologies into a single operative room monitor, that combines hemodynamic monitoring & depth of anesthesia to improve surgical outcomes

Appendices

- *LiDCOplus* version 4.0 software
 - ICU market focus - highly evolved product & software
 - Calibration, oxygen delivery targeting for goal-directed therapy
 - LiDCO business case (GDT) - saving £4,800 per patient
- *LiDCOrapid*
 - Anesthesia and acute haemodynamic care product
 - Launched April 2008
 - High volume - expands territories & distribution
- *LiDCOview*^{SE} , *LiDCOview*^{PRO}
 - PC based software
 - Used for data analysis/publications/research & clinical audit (GDT)
- *LiDCOlive*
 - Online remote monitoring via ethernet and a PC
 - eICU - in or out of the hospital

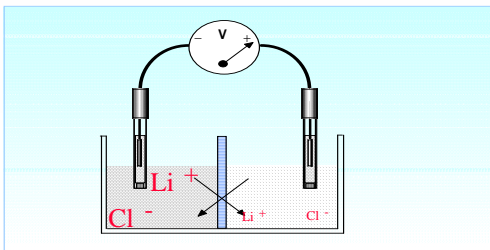
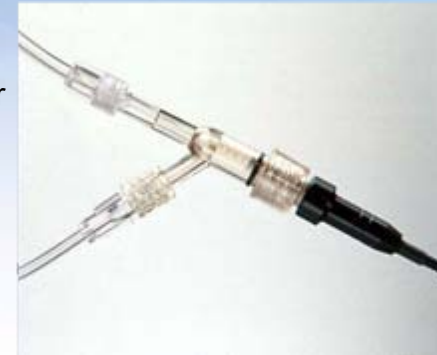
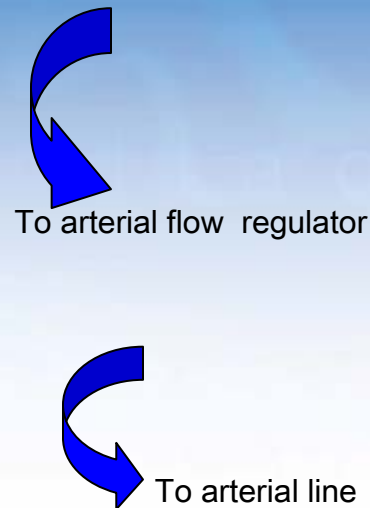
What makes a product attractive to distributors?

- Substantial and growing market
- Proprietary
- Low-cost manufacture
- High margin
- Ease of sale
- Low in-service requirement
- Convincing clinical **and** business case

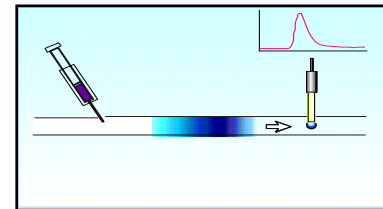


LiDCO™ Indicator Dilution Technology

- The LiDCO disposable is used to calibrate LiDCO*plus* monitor
 - Proven and accepted basis for the technology
 - Indicator dilution close to 100 year history
- Lithium Dilution Cardiac Output -
novel patent protected marker

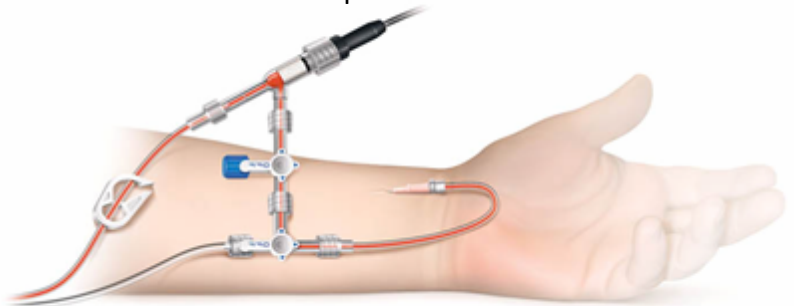


Lithium ionophore/sensor

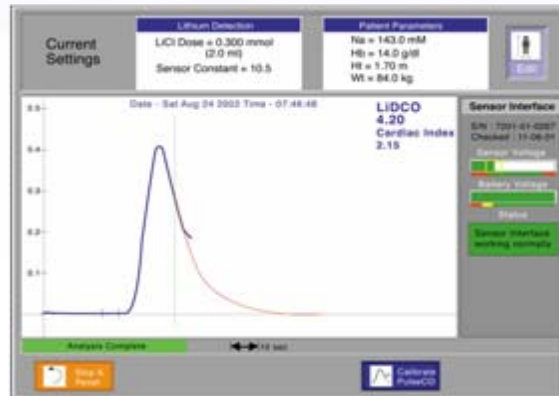


The LiDCO System

Lithium sensor placed in the arterial line



Central/peripheral LiCl injection



Lithium dilution curve on LiDCOplus monitor screen

‘A machine for the future’



“Conclusions: A large high-risk surgical population accounts for 12.5% of all surgical procedures but more than 80% of deaths. Despite high mortality rates, fewer than 15% of these patients are admitted to the ICU.”

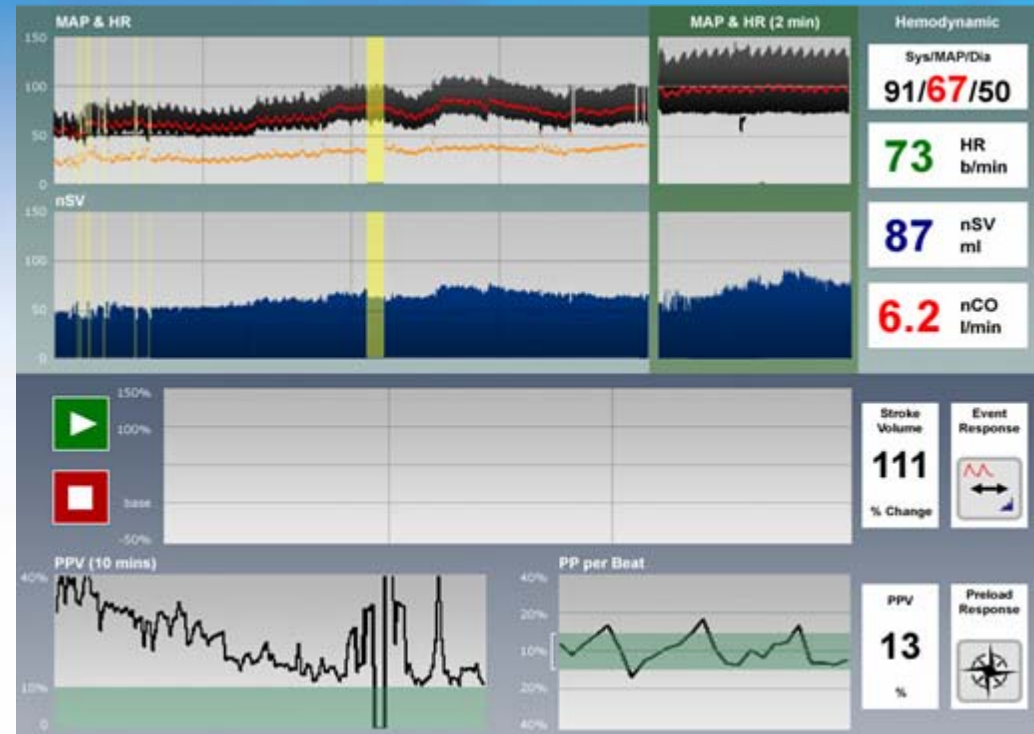
Dr Scot Brudney, Duke University, USA

Minimally invasive haemodynamic monitor specifically aimed at the **Surgery Anesthesia** market

Graphic and numerical display of pressures (MAP, SYS and DIA), HR, nSV and nCO, fluid response parameters: PPV and SVV

Graphic display of data from start of procedure on a beat by beat basis. Magnification window highlights last two minutes

Provides information about 'nominal' stroke volume and cardiac output. Uses proven and patented PulseCO continuous cardiac output algorithm enhanced with a demographically generated calibration factor



ICU

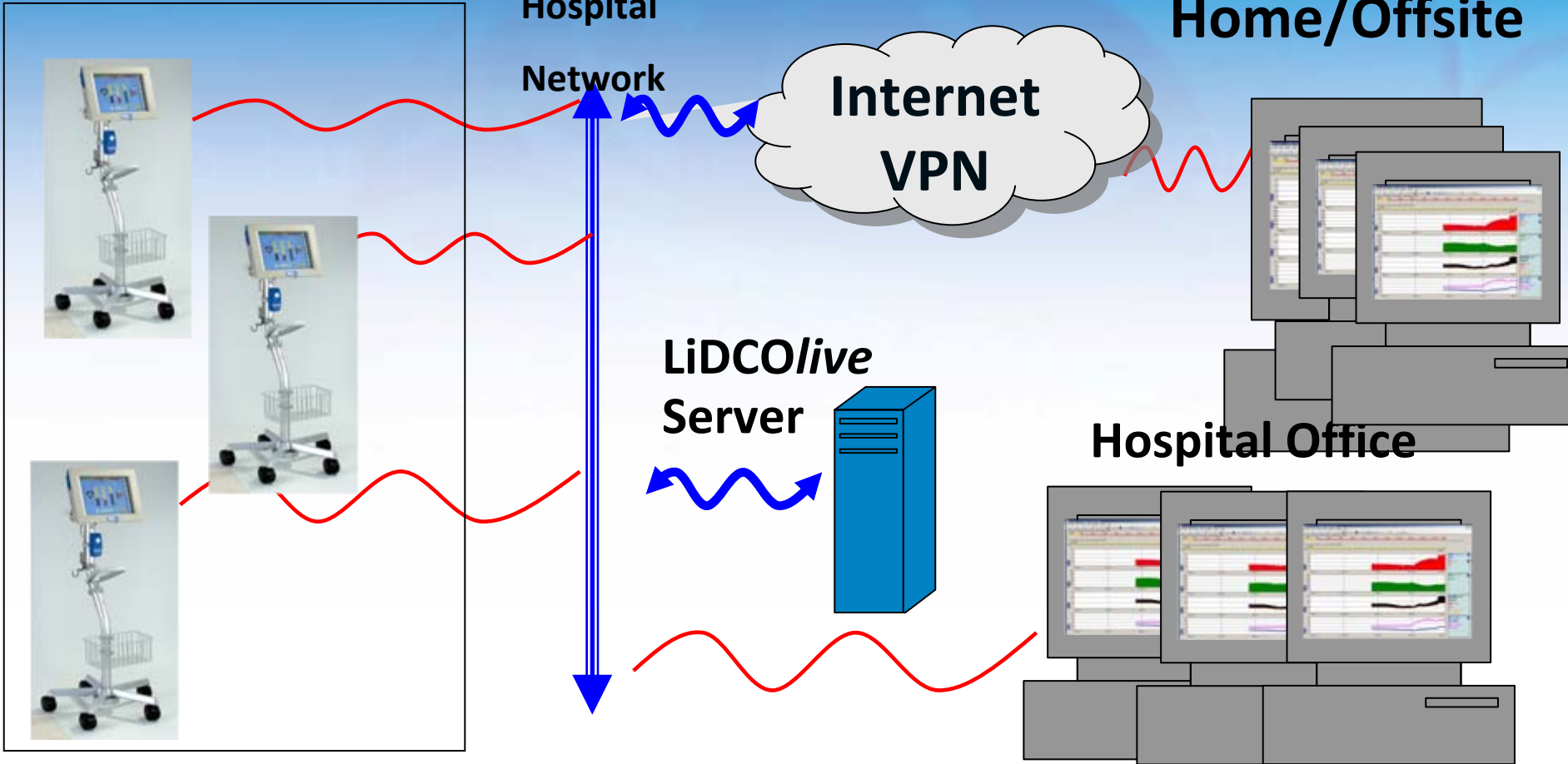
Hospital
Network

Home/Offsite

Internet
VPN

LiDCO*live*
Server

Hospital Office



Business case now available

[Client Name] NHS Trust
Reducing the cost and improving the care of high risk surgical patients

DRAFT 1.3
[Month] 2007

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Surgery mortality rates

Hospital Resource Group (HRG) procedure code	n	Urgency	Deaths	Mortality rate
Q01:Emergency aortic surgery	6,598	Emergency	2,721	41.24%
F33:Large intestine; major procedures with complicating condition(s)	5,765	Emergency	1,290	22.38%
F41:General abdominal; very major or major procedures aged over 69 years or with complicating condition(s)	11,648	Emergency	1,843	15.82%
H05:Complex hip or knee revisions	1,667	Elective	186	11.16%
H33:Neck of femur fracture; aged over 69 years or with complicating condition(s)	170,804	Emergency	15,780	9.24%
F11:Stomach or duodenum; complex procedures	3,714	Elective	312	8.40%
Q02:Elective abdominal vascular surgery	17,791	Elective	1,321	7.43%
F01:Oesophagus; complex procedures	5,594	Elective	375	6.70%
F32:Large Intestine; very major procedures	44,814	Elective	1,521	3.39%
Q03:Lower limb arterial surgery	18,247	Elective	480	2.63%
L02:Kidney major open procedure; aged over 49 years or with complicating condition	17,549	Elective	343	1.95%
H02:Primary hip replacement	123,785	Elective	507	0.41%
L27:Prostate trans-urethral resection; aged over 69 years or with complicating condition	6,196	Elective	24	0.39%
B02:Phakoemulsification cataract extraction with lens implant	89,444	Elective	50	0.06%
F82:Appendicectomy procedures; aged less than 70 years with no complicating condition	88,067	Emergency	15	0.02%

Source: Pearse et al., 2006

