

LiDCO™

riation

Oxygen Saturation

attribution

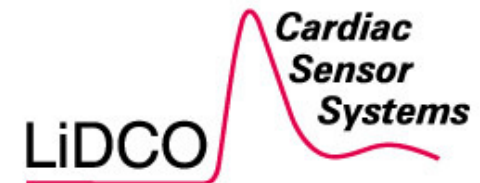
Systolic Blood Pressure

Pulse Rate

dLac Oscillations

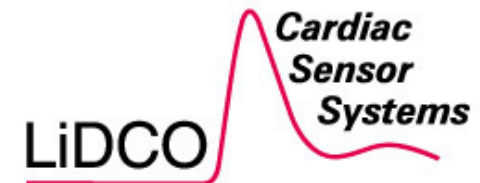
LiDCO Group Plc

Interim Presentation
30th October 2007



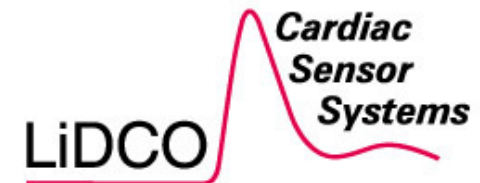
Structure

- Overview (slide 3-6)
- Financial, corporate & commercial highlights (slides 7 to 12)
- Markets, product development, clinical & business case (slide 13-20)
- LiDCO product family (slide 21)
- Financials (slides 22 to 25)
- Appendices (slide 26-31)



Overview

- London, UK AIM Med-Tech Plc <http://www.lidco.com>
- Producer of novel, minimally invasive, cardiovascular monitors, graphical user interfaces and unique sensor technology
- Minimally invasive hemodynamic monitoring market addressed by LiDCO's technology is growing at an estimated 50% per annum
- LiDCO is achieving good growth in turnover
- Products registered in 18 countries across Europe, USA, Brazil and Japan
- Potential market for new product for use in 'risk' surgery patients - market potential of £429 million/annum
- Direct sales in UK and US with worldwide distribution network being established



Growing need for hemodynamic monitoring

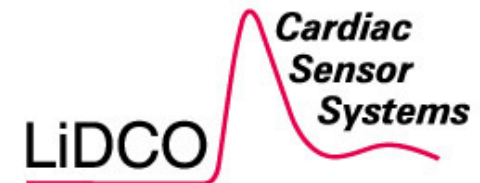
Ageing populations

Specialist critical care physician & nursing shortages

Increasing number of monitored beds in hospitals - up to 25% of all beds in major hospitals

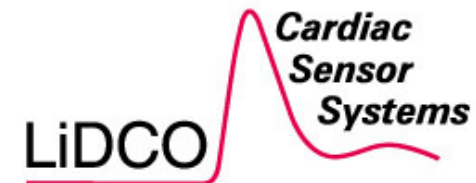
Increased demand for integrated clinical information and patient management solutions to reduce hospital errors

Increased demand for remote patient monitoring



Monitoring - a strong business & clinical case

- Acute care is 10% of beds but 30% of a hospital's costs
- One in ten acute care patient 'outliers' are responsible for 50% of acute care costs
- Therefore this 'outlier' group (1% of with complications) are costing 15% of the hospitals' budget
- The evidence is mounting that better monitoring focused on maintenance of hemodynamic goals and /or early goal directed therapy reduces complications and therefore socio-economic costs to the patient and the hospital & community
- The minimally invasive hemodynamic monitoring market addressed by LiDCO's technology is growing by an estimated 50% per annum



Marked transition from catheter base towards minimally invasive hemodynamic monitoring

The Pulmonary Artery Catheter, 1967–2007 Rest in Peace?

Gordon D. Rubenfeld, MD, MSc

Elizabeth McNamara-Aslin, BSN, RN, CCRN

Lewis Robinson, MD, PhD

IN THIS ISSUE OF JAMA, AN INVESTIGATION USING A NATIONALLY REPRESENTATIVE ADMINISTRATIVE DATABASE REPORTED A MARKED DECLINE IN THE USE OF PULMONARY ARTERY (PA) CATHETERS FROM 3.66 PER 1000 MEDICAL ADMISSIONS IN 1993 TO 1.99 PER 1000 MEDICAL ADMISSIONS IN 2004.¹ These significant declines in PA catheter utilization were most prominent for patients with myocardial infarction (81% decrease), but also were significant for surgical patients (63% decrease) and for patients with septicemia (34% decrease).

These national data are consistent with trends at our institution, an academic public hospital and level 1 trauma

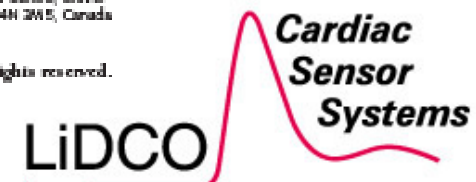
center with 75 intensive care unit (ICU) beds with a relatively low volume of patients with acute myocardial infarction. For example, from July 2002 to May 2003, the hospital billed patients for 871 PA catheters. Although the ICU census has increased, the use of PA catheters has declined to 262 catheters from July 2000 to May 2007. Recently, nurses and residents gathered around the bedside of the sole patient in the medical ICU with a PA catheter so they could actually observe one in use. If the demise of the PA catheter is more than a rumor, why has this occurred and what are the implications for clinical care and training?

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See also pp 433 and 456.

458 JAMA, July 25, 2007—Vol 298, No. 4 (Reprinted)

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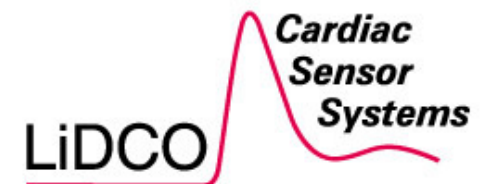


Financial Highlights

- Turnover up 22% at £1.97m (2006: £1.62m)
- Underlying hospital and distributor revenues (sales excluding lease arrangements) up 37% to £1.85m (July 2006: £1.35m).
- Loss before tax cut by 29% to £1.05m (2006: £1.48m)
- Admin and distribution expenses reduced by 5% at £2.57m (2006: £2.71m)
- Operating cash outflow reduced by 31% to £0.97m (2006: £1.41m)
- Product margins maintained at 75% on monitors, and improved to 87% on disposables (2006: 85%)
- Loss per share reduced by 38% to 0.82p (2006: 1.33p)
- Cash balance £481,000 & Laurus loan facility of \$1.9m available (at 31st July 2007)

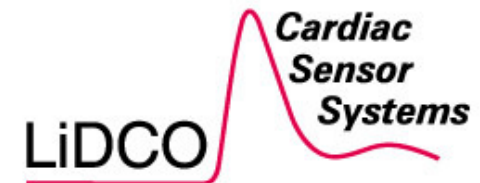
Corporate Highlights

- Exclusive critical care marketing collaboration with Becton Dickinson UK
- Further clinical outcome studies show reductions in mortality, complications and length of stay
- Demonstration of new remote hemodynamic monitoring product - *LiDCOlive*
- New anesthesia product *LiDCOrapid* in clinical trials
- *LiDCOrapid* patent filed in October



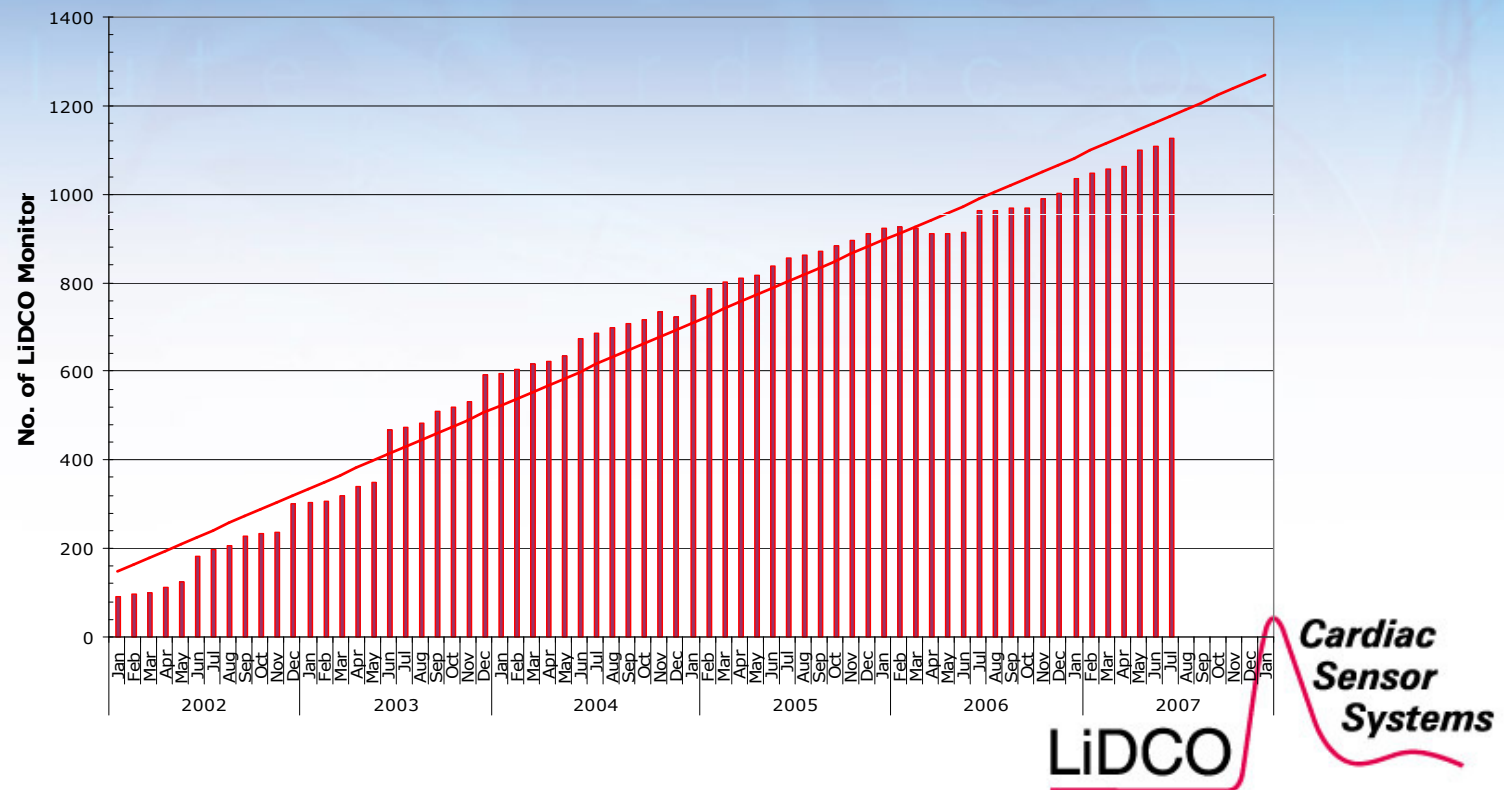
Commercial Highlights

- Continued broad adoption of technology with 40% of installed monitors in the USA, 19% in the UK, 25% in Europe and 16% in the ROW
- Installed base of monitors up 17% at 1,128 (July 2006: 962)
- Monitors sold or placed: increased from 39 in the same period in 2006 to 93 units;
- Sensors and fees per use volumes up 12% to 13,582 units; sensor sales value increased 17% to more than £1m;
- Considerable market growth in Europe, increased by 161% compared with the same period in 2006



Installed base of monitors - now at 1128 units

LiDCO Monitor Installed Base 2002 - 2007



LiDCO Sensor Numbers Growth 2002 - 2007



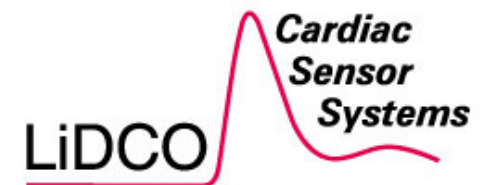
Business review - summary table

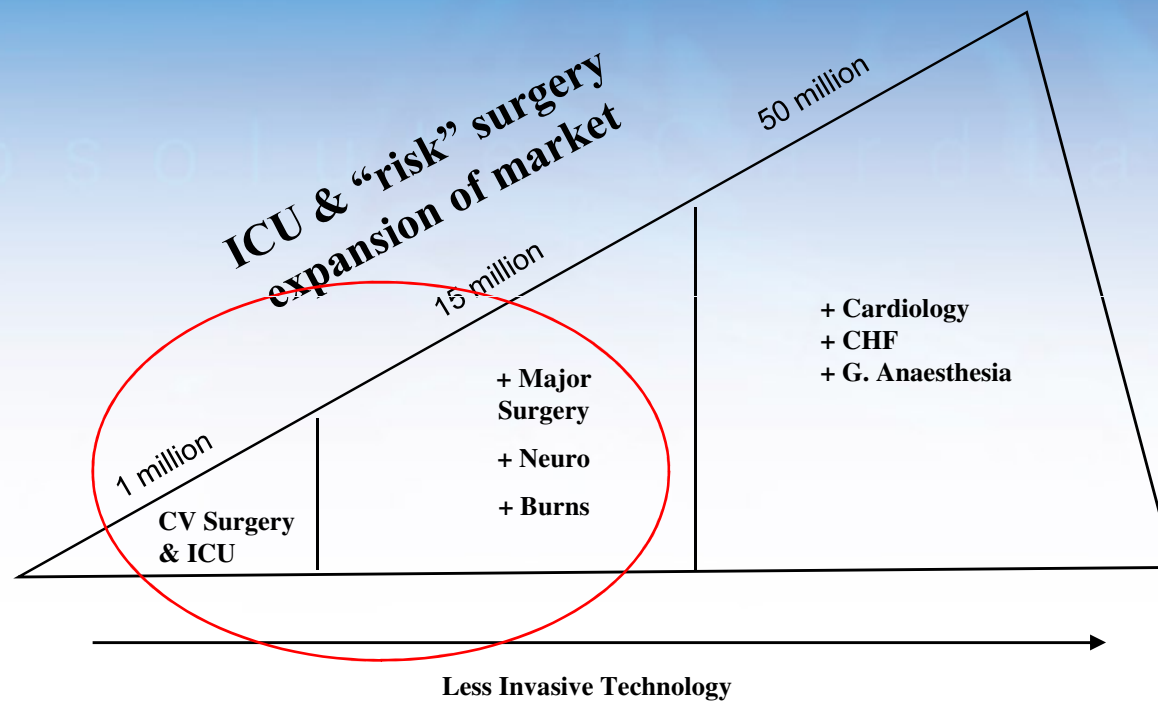
	6 months to 31 July 2007	6 months to 31 July 2006	Increase/ (decrease)	Increase/ (decrease) %
Sales by type (£'000)				
- Monitors*	866	641	225	35%
- Sensors	1,026	877	150	17%
- Fee per Use & Rentals	43	62	(19)	(31%)
- License Fees	35	35	-	0%
- Total	1,970	1,615	355	22%
Monitors sold/placed (Units)	93	39	54	138%
Sensor and Fee per Use Sales (Units)	13,582	12,112	1,470	12%
Installed Base (end period)	1,128	962	166	17%

*Includes sales to medical equipment leasing partner

LiDCO Calibration

Markets, Product Development, Clinical & Business Case



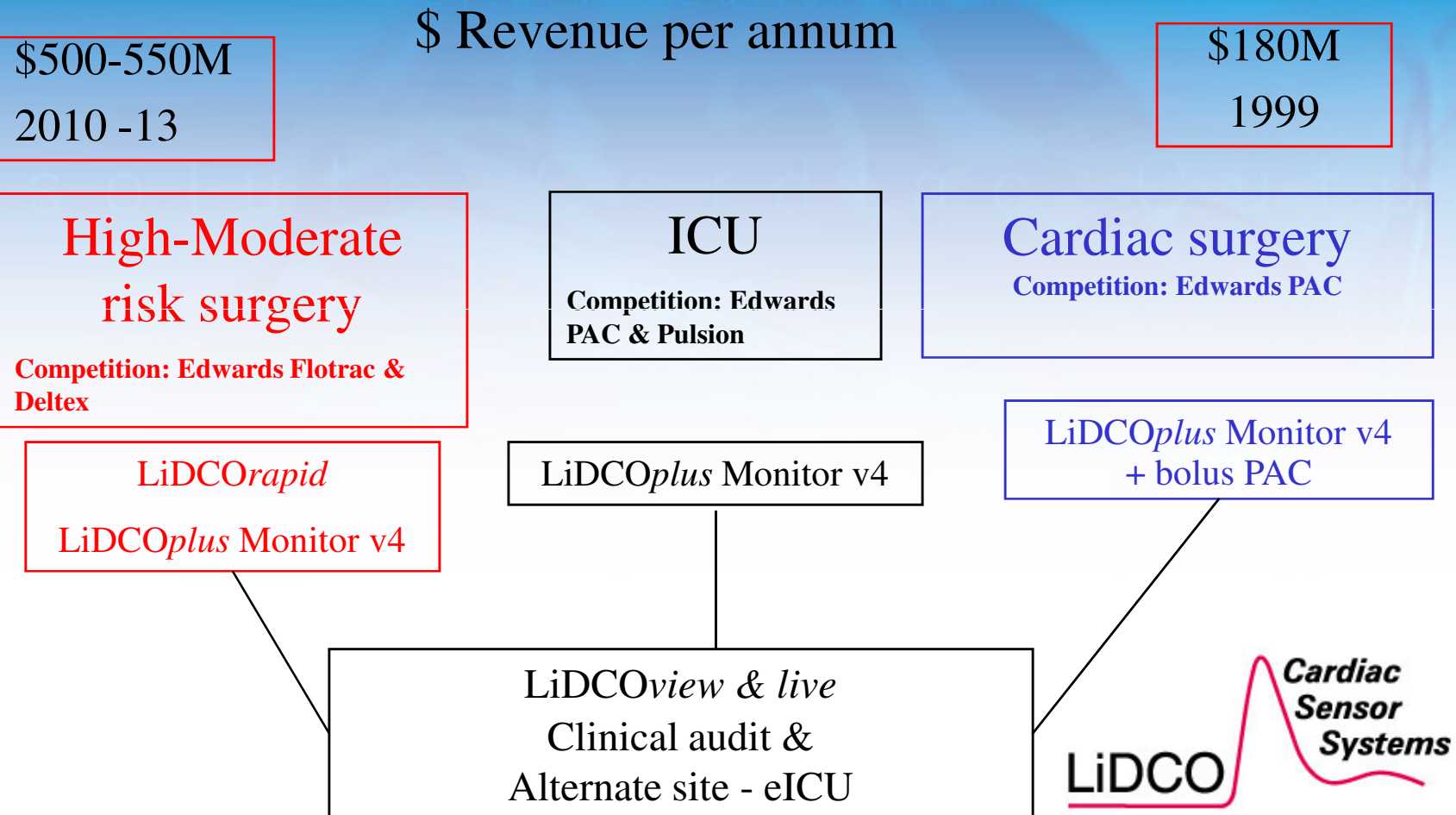


Data compiled 2004

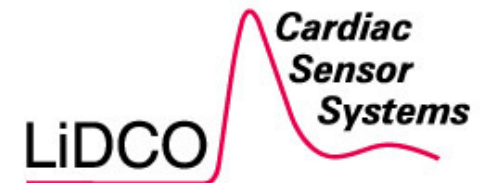
- Use of LiDCO's technology requires an arterial line in situ - about 20 million arterial lines are used worldwide per annum
- The majority of these are used in ICU and surgery patients
- Less than 10% of patients who could potentially benefit are currently being monitored
- There are approx 5.3 million* high-risk surgical patients (EU, USA & Japan) with a mortality risk of between 2 to 40% that could benefit from LiDCO's hemodynamic monitoring products
- In these territories the high-risk surgery opportunity represents approximately a revenue value of £429 million per annum*

* Company estimates

Market Growth & Participants



LiDCO's sales today are predominantly to the intensive care physician - the 'risk' surgery market represents a major and additional market opportunity...

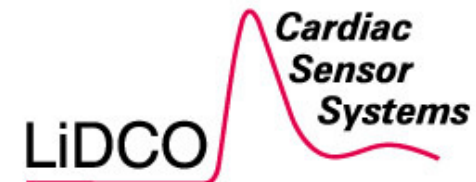


High-risk surgery market potential

MORTALITY OUTCOMES FOLLOWING GOAL DIRECTED STUDIES:

Type of Surgery	Study Author (Year)	Mortality of Control Group (%)	Mortality of Goal Directed Treatment Group (%)
Vascular	Shultz et al (1985) ⁴⁸	29.0	2.9
General	Shoemaker et al (1988) ⁴⁹	33.0	4.0
Vascular	Berlaak et al (1991) ⁵⁰	9.5	1.8
Trauma	Fleming et al (1992) ⁵¹	44.0	24.0
General & Vascular	Boyd et al (1993) ⁵²	22.2	5.7
Trauma	Bishop et al (1995) ⁵³	37.0	18.0
Hip Fracture	Sindair et al (1997) ⁵⁴	10.0	5.0
Peripheral Vascular	Ziegler et al (1997) ⁵⁵	9.0	5.0
Elective General	Wilson et al (1999) ⁵⁶	17.0	3.0
Elective Cardiac	Polonen et al (2000) ⁵⁷	3.0	1.0
General & Vascular	Iobo et al (2000) ⁵⁸	50.0	15.7

- Worldwide there are approx 5.3 million high-risk surgical patients with a mortality rate of greater of between 2 and 40%
- There is increasing evidence that manipulating hemodynamic parameters in and around the surgical period can reduce mortality and morbidity in these patients
- The St George's study in high-risk surgery patients using LiDCO's technology showed a 35% reduction in complications resulting in a £4,800 cost saving per patient
- Adoption will be helped by the recent availability of a LiDCO business case based on the cost savings achievable in high-risk surgery patients



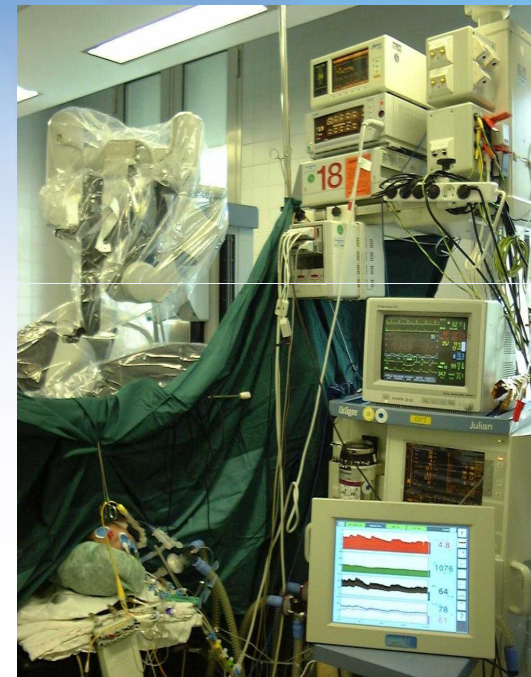
High-risk surgery - business case now available....

[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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LiDCO *Cardiac
Sensor
Systems*

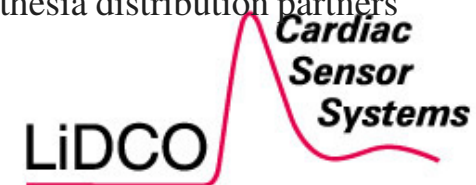
Route to market..... ICU & Surgery

Existing ICU orientated product - LiDCOplus

- Direct sales/nurse educator teams (12 people) are employed in the UK and USA, delivering circa. 67% of total sales
- Distributors (16 countries) account for circa. 33% of sales across territories outside the UK and US
- Specialist distributors / sales people required for distribution of the LiDCOplus product to the ICU

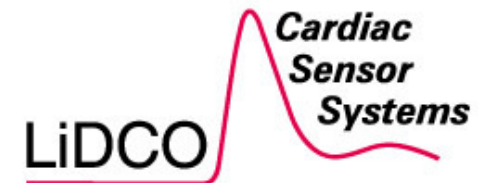
New product - surgery orientated product - LiDCOrapid

- Introduction of the easy to set-up and use surgery orientated LiDCOrapid should:
 - Further open up intra operative market & in general peri-operative care
 - Be available to be sold in many more territories than the LiDCOplus (lithium registration is not required)
 - Be easy to sell alongside LiDCOplus by existing distribution partners
 - Be attractive to sell into higher volume surgery market via new anesthesia distribution partners



Sales Growth Strategy

- LiDCO is strengthening its sales / distribution reach for its expanding product range through :
 - Maintaining and improving its direct sales forces
 - Encouraging existing distribution partners of the LiDCO*plus* to employ more clinical specialists
 - Signing further technical and marketing collaborations eg BD UK sales collaboration
 - LiDCO*plus* - seeking additional distribution partners for major territories such as the USA & Germany
 - LiDCO*rapid* - expanding sales territories by introducing a simpler to register and sell product



LiDCO Product Family Now and the Future

Future

Current

Next

Poss PDA with
LiDColive

Wireless
Internet

LiDCOrapid in the
OR

LiDCOplus in ICU

Internet
VPN

LiDColive
Server
Software

Pt Data

Via:
USB or
Smart
Card

LiDColive
Server
Software

Intranet

LiDColive
PC Software
For LiDCOplus
- Drs. Office

LiDCOview Pro
PC Software
LiDCOrapid in OR
= clinical audit

LiDCOview Pro
PC Software
For LiDCOplus

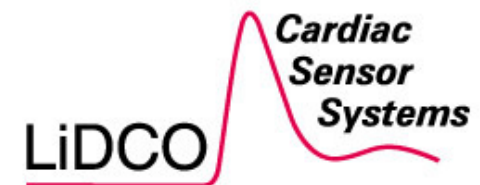
Cardiac
Sens
Systems

LiDCO

LiDCO Calibration

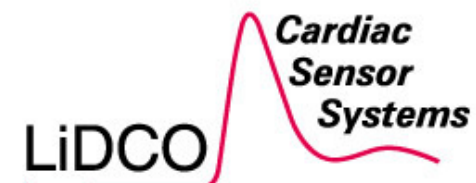
absolute Cardiac Output

Financials



Summary Profit & Loss Account

	6 months to 31 July 2007 £000	Restated 6 months to 31 July 2006 £000	Change %
Turnover	1,970	1,615	+ 22%
Cost of Sales	<u>(469)</u>	<u>(381)</u>	+ 23%
Gross Profit	1,501	1,234	+ 22%
Other income	25	28	- 11%
Distribution costs	(29)	(33)	- 12%
Administrative expenses	(2,544)	(2,678)	- 5%
Finance costs	<u>(2)</u>	<u>(33)</u>	- 87%
Loss before tax	(1,049)	(1,482)	- 29%
Income tax credit	<u>75</u>	<u>55</u>	+ 36%
Loss for period	<u>(974)</u>	<u>(1,427)</u>	- 32%
Loss per share	(0.82p)	(1.33p)	- 38%



Summary Cashflow

	6 months to 31 July 2007 £'000	6 months to 31 July 2006 £'000	Change %
Cash generated from operations	(967)	(1,428)	+32%
Interest paid	(2)	(39)	-95%
R & D tax credit received	-	55	
Net cash outflows	(969)	(1,412)	-31%
Net cash used in investing activities	(24)	(56)	-57%
Net cash used in financing activities	-	2,490	
Net increase in cash	(993)	1,022	-197%
Cash at beginning of period	1,474	951	+55%
Cash at end of period	481	1,973	-76%

Summary Balance Sheet

	31 July 2007 £'000	31 July 2006 £'000
Non-current assets	1,579	1,479
Inventories	1,043	1,146
Trade and other receivables	1,424	1,757
Cash + cash equivalents	481	1,973
Trade & other payables	(772)	(713)
Deferred income	(46)	(106)
Total assets less current liabilities	3,709	5,536
Share capital and reserves	29,828	29,786
Retained earnings	(26,168)	(24,304)
Long-term borrowings	49	54
Shareholders' funds	3,709	5,536

LiDCO Calibration

Appendices

absolute

Output

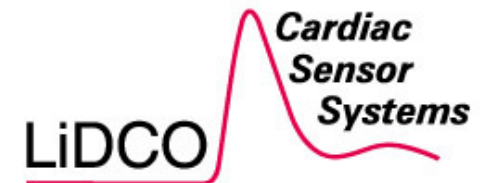
L i D C O TM

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LiDCO Calibration



Technology Overview



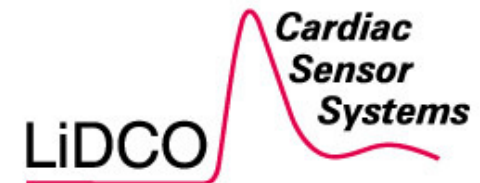
LiDCO Products

Existing Products

- LiDCO*plus* version 4.0 software
 - ICU market focus
 - Calibration improvements, event response screen, oxygen delivery targeting for goal directed therapy
 - Highly evolved product & software
 - LiDCO business case - saving £4,800 per patient per high-risk surgery patient treated

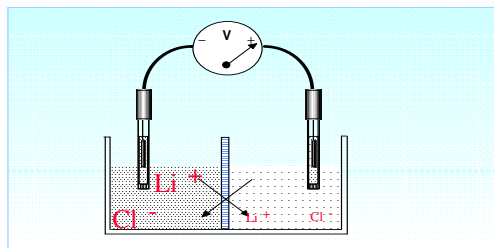
New Products & Further Products

- LiDCO*rapid*
 - Anesthesia and acute hemodynamic care product
 - Launch possibly as early as 1st Q 2008
 - High volume - expands territories & distribution avenue
- LiDCO*view*^{SE} (available now), LiDCO*view*^{PRO} - available Q4 2007
 - PC base - re creates trend screen
 - Used for data analysis/publications/research & clinical audit (EGDT)
- LiDCO*live*
 - On line remote monitoring via ethernet and a PC
 - *eICU* - In or out of the hospital
 - Launch - expected Q2 2008

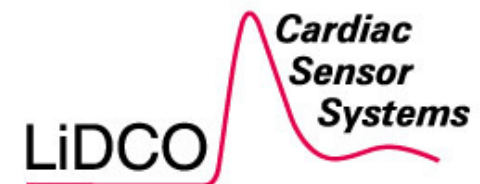
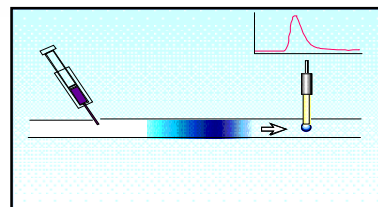
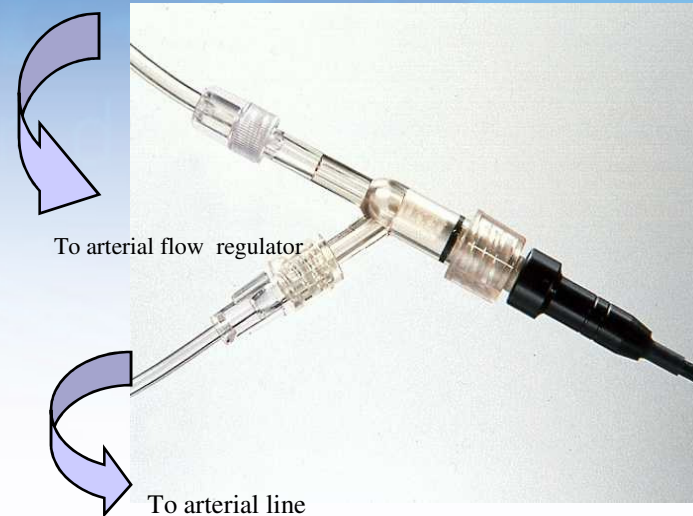


Indicator Dilution Technology

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



Lithium ionophore/sensor



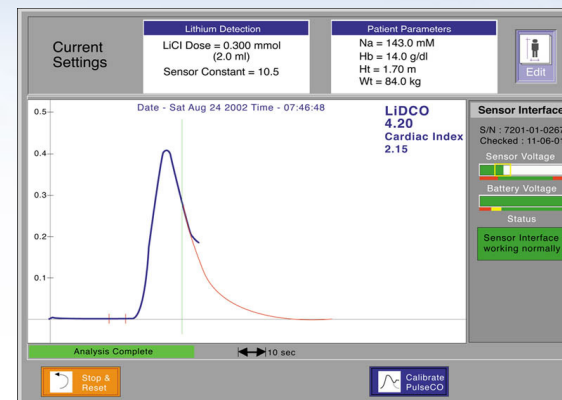
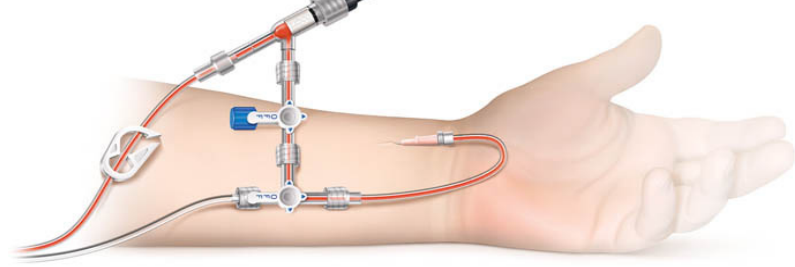
LiDCO™ The LiDCO System™

riation

Central/peripheral LiCl injection



Lithium sensor placed on the arterial line



Lithium dilution curve on
LiDCOplus Screen

**Cardiac
Sensor
Systems**

LiDCO

LiDCOTM *LiDCOlive* development

riation

