

CytoSorbents Reports Steady Growth in Q2 2015



CytoSorbents Corporation, a critical care immunotherapy leader commercialising its CytoSorb® blood purification technology to reduce deadly uncontrolled inflammation in hospitalised patients around the world, reported financial and operational results for the three and six months ended June 30, 2015.

Recent Financial Highlights:

- Product revenues for the second quarter of 2015 grew to \$773K, a 17% increase over product revenues of \$663K for the same period in 2014. Disregarding the decline in the Euro to U.S. Dollar exchange rate, product sales for Q2 2015 would have been \$920K, or a 39% increase versus a year ago
- Product gross margins for Q2 2015 were approximately 63%
- Trailing 12-month CytoSorb® sales were \$3.4M, an increase of 89% over the trailing 12-month period ended June 30, 2014
- Strong balance sheet, with cash and short term investments totaling \$11.2M

Recent Operational Highlights:

- Received Saudi Food and Drug Authority (SFDA) approval and Medical Device Marketing Authorization of CytoSorb® in Saudi Arabia. This enables the initiation of sales of CytoSorb® in the country and potentially opens many doors to the Middle East
- Entered into a multi-year exclusive distribution agreement with TekMed Pty Ltd, a leading provider of dialysis equipment, vascular access devices, and disposables, to distribute CytoSorb throughout Australia and New Zealand for all critical care and cardiac surgery applications. CytoSorb is already registered in these countries, enabling TekMed to sell immediately
- Established an exclusive agreement with AlphaMedix Ltd to distribute CytoSorb® in Israel for all critical care and cardiac surgery applications. AlphaMedix has begun the process of seeking Israeli Ministry of Health approval for CytoSorb® and registration with AMAR, the Ministry's Medical Device division
- Appointed Michael G. Bator to the Board of Directors, former Managing Director of Healthcare Research at Jennison Associates, a U.S. mutual and pension fund management company with \$188 billion in assets
- Added to the Russell Microcap® Index on June 26, 2015, a significant corporate achievement that increases the visibility and exposure of the company and its life-saving technology to the broader investment community

Dr. Phillip Chan, Chief Executive Officer of CytoSorbents stated, "We achieved solid growth in CytoSorb® sales in the second quarter of 2015, driven by increases in new accounts and reorders in our direct sales territories by our core four person sales team. In fact, on a pro-forma basis, if we exclude the impact of the decline in the Euro, our product revenues would have been \$920K, our second best quarter for CytoSorb® sales in our history.

More recently, there have been a number of developments and near term catalysts that should begin to accelerate growth in the second half of this year. These include:

- Expansion of the direct sales team.
- Recent approval of CytoSorb® in Saudi Arabia and signing of TekMed in Australia and New Zealand.
- Nearing initial marketing with partner Fresenius Medical Care in France, Poland, Denmark, Norway, Finland and Sweden.
- Completion of, and near-term availability of clinical data from two randomised, controlled investigator-initiated studies from University of Hamburg-Eppendorf and Medical University of Vienna, evaluating the safety and ability of CytoSorb®, when used intra-operatively during cardiac surgery, to reduce cytokines and post-operative inflammation
- The planned completion of an evaluation of CytoSorb® when used intra-operatively during cardiac surgery by one of the leading global cardiac surgery companies.
- Hosting the 2nd International CytoSorb® Users Meeting in Berlin, Germany on October 2, 2015, just before our major presence at the 28th European Society of Intensive Care Medicine Congress in Berlin (ESICM, Oct 3-7) and the 29th European Association for Cardio-Thoracic Surgery Meeting in Amsterdam, Netherlands (EACTS, October 3-7).

Dr. Chan continued, "In addition to our commercialization efforts abroad, we are heavily focused on bringing CytoSorb® to the U.S. market through two main paths.

- **Cardiac Surgery**
- **Sepsis and Critical Care**

Dr. Chan concluded, "Finally, we continue to be excited about the regular flow of successful case report studies and ongoing larger studies that

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are coming in from around the world. The upcoming 2nd International CytoSorb® User's Meeting will report on many of these, and we will give an overview of several of these cases during today's earnings call."

Source: [CytoSorbents](#)

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