

AtCor revenue up by 41 percent in FY 2013

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Singapore: AtCor Medical, the developer and marketer of the SphygmoCor system that measures central aortic blood pressures and arterial stiffness non-invasively, revealed a net profit after tax of \$2.7 million for FY 2013, when compared with a loss of \$2 million in the previous corresponding period. Total revenue was up 41 percent to \$9.1 million as compared to \$6.4 million during FY 2012.

AtCor's FY 2013 sales were up 39 percent on a constant currency basis as compared to the prior period. Global pharmaceutical sales rose 69 percent to \$6.1 million and US non-pharmaceutical sales increased 21 percent to \$1.7 million. This was driven by strong sales to researchers including a US Government funded study, and growth in clinical practice sales to medical specialists such as cardiologists and nephrologists. Clinical practice sales were especially strong in the second half with the introduction of the new US CPT III code covering the SphygmoCor test and launch of SphygmoCor XCEL.

Sales in Australia and New Zealand grew following the launch of AtCor's new SphygmoCor XCEL in May 2012, and were up 77 percent. Asian sales declined, with registration of the new XCEL device still pending in several countries including China. AtCor's European sales declined compared to prior year, reflecting difficult economic conditions especially in southern Europe. Following the resizing of AtCor's European business to match demand, Europe returned to contributing positive earnings for the year.

Gross margin was a healthy 86.6 percent, up from 84.4 percent in the prior year. Improvement came from both volume and product mix. Expenses were 16 percent below the prior year; and 14 percent below the prior year in constant currency terms. Cash on June 30, 2013, was \$2.9 million, as compared to \$1.1 million on June 30, 2012. Net cash inflows from operating activities for the year were \$1.8 million, compared to net cash outflows from operating activities of \$1.2 million in FY 2012.

Mr Duncan Ross, chief executive officer, AtCor Medical, said that, "We are very pleased to be able to report strong sales growth and profit for the year. This result reflects a rebound in the pharmaceutical trials market, where our business is expanding to provide products and services to new clients and in new drug categories; and increased sales of our easier to use SphygmoCor XCEL system, which has attracted strong interest from researchers and clinicians. We benefited substantially from cost savings implemented last year."