

Surgical Innovations Group plc (AIM: SUN), the designer and manufacturer of creative solutions for Minimally Invasive Surgery ('MIS'), announces preliminary results for the 12 months ended 31 December 2011, which show continued strong growth in SI branded products and OEM sales, the core MIS business.

Financial highlights

- Group Revenue increased 7.9% to £7.602m (2010: £7.045m)
- Core MIS business revenue up 18.5% to £7.532m (2010: £6.358m)
- Gross margins in core MIS business increased to 47% (2010: 45%)
- Operating profit increased 11.9% to £1.767m (2010: £1.579m)
- Operating margins increased to 23% (2010:22%)
- Pre-tax profit increased 10% to £1.705m (2010: £1.549m)
- Net cash of £1.775m generated from operating activities
- Basic earnings per share of 0.44p (2010: 0.48p)

Operational highlights

- Revenues from SI branded products up 22.7% to £4.725m (2010: £3.852m); driven by flagship Resposable® products
- Revenues from OEM products up by 12.0% to £2.807m (2010: £2.506m); driven by expanded portfolio of OEM customers
- Strong sales of Resposable® instruments with consumable pull through expected in 2012
- Single use consumable products now represent 52% of total MIS sales (2010: 46%)
- OEM agreement with Advanced Medical Solutions (AMS) for a novel adhesive deployment device
- Continued major investment in research and development, plant and manufacturing

Commenting on Outlook, Doug Liversidge, Chairman, said:

"We remain confident about the future growth prospects of the business as our existing SI branded products continue to gain international clinical recognition through our expanding and varied routes to market. We expect to see further growth from new products that are launched throughout the year, as well as through the development of existing and new relationships with OEM customers."

