## **CORPORATE NEWS**

## MeVis announces preliminary business figures for 2010

## Non-cash charges have one-time negative effect on company's earnings

- Corporate sales rise 4 percent to approximately EUR 14.4 million (previous year: around EUR 13.9 million) due to higher maintenance revenues
- Group EBIT of roughly EUR -6.0 million (previous year: approximately EUR 1.6 million) impacted by EUR 6.3 million in one-time, non-cash charges

**Bremen, March 8, 2011** – MeVis Medical Solutions AG [ISIN: DE000A0LBFE4], a leading software company in the field of image-based medicine, has today announced its preliminary figures for the 2010 fiscal year. According to the company, business developed as expected during the first three quarters as well as in the final quarter of the past fiscal year. Group revenue grew slightly to around EUR 14.4 million (previous year: about EUR 13.9). A drop in the company's licensing business due to declining sales was compensated for by an increase in maintenance revenues of about 48 percent to roughly EUR 4.7 million (previous year: about EUR 3.2 million), a development which now accounts for one third of total revenue (previous year: around 23 percent).

Sales in the Digital Mammography business segment were up approximately 8% to reach approximately EUR 10.8 million in 2010, representing three-quarters of total turnover (previous year: around EUR 10 million). This increase was driven by the disproportionately high increase in maintenance revenues to approximately 39 percent of segment revenues. In 2010, revenues in the Other Diagnostics segment decreased by approximately 7 percent and came to approximately EUR 3.6 million (previous year: around EUR 3.8 million).

The one-time non-cash charges which have had a negative effect on Group EBIT are linked to other operating expenses and impairment losses on intangible assets. While the company managed to further reduce adjusted operating expenses due to the cost-cutting measures it introduced in 2009, an additional provision worth approximately EUR 0.8 million increased expenses to about EUR 3.8 million (previous year: around EUR 3.3 million). The provision was recognized due to an obligation to provide a grant to one of the company's research partners. Dr. Robert Hannemann, MeVis Medical Solutions AG's CFO since October 1, 2010, says "In



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Slight revenue increase due to strong growth of maintenance revenues

€ 0.8 million provision for additional research obligations increases costs previous years, this obligation was listed under "Financial Obligations" in our financial statements. The Executive Board has now decided to account for this obligation on the balance sheet due to the result of our current risk assessment."

The impairment charge of approximately EUR 5.5 million was on the intangible assets associated with the company's pulmonary CT business, which was acquired in 2008. This impairment charge included about EUR 4.3 million for the complete write-off of goodwill and some EUR 1.2 million for the amortized costs of the software, licenses and customer base obtained during the transaction.

"Because the market was in the past not as receptive as we would have liked, the Executive Board has opted to adjust the balance sheet accordingly," explains Dr. Carl J.G. Evertsz, CEO of MeVis Medical Solutions AG. "However, we remain confident about the market potential for our pulmonary product," he concludes.

The final business figures will be available in the audited consolidated financial statement and group management report, which will be released together with the 2011 forecast on April 19, 2011.

The Group's financial reports are available for download at:

http://www.mevis.de/mms/en/Financial\_Reports.html

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**MeVis Medical Solutions AG** was founded in 1997 and is one of the world's leading independent developer and provider of medical imaging software with focus on dedicated, disease-oriented clinical applications. MeVis AG has been listed on the Frankfurt Stock Exchange in the Prime Standard segment of the Regulated Market since November 16, 2007.

Over the past few years, there has been an enormous increase in the complexity and volume of medical imaging data derived from diagnostic imaging processes such as digital mammography, computed tomography (CT), magnetic resonance imaging (MRI), and ultrasound (US). MeVis' products analyze and process this data in such a way as to provide medical professionals with crucial information for early detection, diagnosis and intervention in the areas of cancer and lung diseases as well as neurological disorders. The Company develops its software solutions in close consultation with world's leading medical experts and original equipment manufacturers (OEM) in the medical technology sector and primarily markets this software via these partnerships.

€ 5.5 impairment charges to pulmonary CT business