



BIOSENSORS
INTERNATIONAL

NEWS RELEASE

**BIOSENSORS REPORTS RECORD PRODUCT REVENUES AND STRONG
SALES OF BIOMATRIX® DRUG-ELUTING STENTS IN FIRST FISCAL QUARTER**

Singapore 12 August 2008 - Biosensors International Group, Ltd. (“Biosensors” or the “Company”, Bloomberg: BIG SP) today announced record product revenues for its first quarter of fiscal year 2009 ended 30 June 2008 (“1Q FY09”).

For 1Q FY09 Biosensors reported product revenues of US\$17.1 million, an 84% increase over the US\$9.3 million reported in the first quarter of fiscal year 2008 (“1Q FY08”). Product sales growth for the quarter was primarily attributable to increased drug-eluting stent sales, as such sales increased to US\$7.2 million in the current quarter compared to US\$2.4 million in 1Q FY08, an increase of 204%. The increase in drug-eluting stent sales is directly related to the commercial launch of the Company’s BioMatrix drug-eluting stent system during the quarter. Sales of other interventional cardiology products also experienced strong growth, jumping 59% to US\$6.8 million from US\$4.3 million in 1Q FY08, driven largely by increased sales of bare-metal stents in the Japanese and European markets as well as increased OEM sales in Asia. Sales of critical care products also increased to US\$3.0 million from US\$2.6 million due to increased sales in US and Europe.

Licensing revenue in 1Q FY09 included the full recognition of US\$40.0 million received from Terumo Corporation (“Terumo”) as a result of a previously announced modification of an existing licensing agreement between Biosensors and Terumo. In the 22 April 2008 announcement, the Company indicated that the revenue would be recognized over the life of the licensing agreement. Upon further review, the Company determined that recognition of the entire US\$40.0 million in 1Q FY09 would be a more appropriate accounting treatment under the principles of the International Financial Reporting Standards (“IFRS”).

Mr. Mike Kleine, President and CEO said, “Our first quarter operating results are a reflection of our primary goal in fiscal 2009 – sales growth. Our drug-eluting stent revenue of US\$7.2 million for the quarter exceeds total FY 2008 drug-eluting stent sales of US\$ 7.0 million. We are very encouraged by the highly positive early market acceptance of BioMatrix and our sales of drug-eluting stents for the first quarter are well within our expectations. We remain confident that we will be able to pursue the market very aggressively in the coming quarters as we draw upon our growing sales infrastructure and the strong network of distributors that we have established in anticipation of this product launch.”

“The US\$40.0 million in licensing revenue received this quarter is a very important source of cash for funding our future sales growth and development of our product pipeline. We also commenced our restructuring efforts this quarter, completing the first phase of downsizing our US business activities, transferring many of these activities to our teams in Asia and Europe. We plan to complete the remaining US restructuring in the next quarter while we also finalize our plans with respect to the disposition of Occam, our Netherlands-based business. Completion of these activities will contribute to our long-term profitability, although continued restructuring charges are anticipated in the near term,” Mr. Kleine added.

Research and development (“R&D”) expenses, which include costs for new product development and testing, clinical trials, patent registrations and regulatory approvals, were US\$7.1 million in 1Q FY09 compared to US\$7.2 million in the prior year’s corresponding period. The primary elements of R&D expenses for the current and prior year quarters represent European clinical trial expenses, payroll-related costs and professional expenses.

Sales and marketing expenses were US\$5.9 million in 1Q FY09 compared to US\$3.5 million in the prior year’s corresponding quarter. The increase was the result of expenses incurred for the launch of the BioMatrix drug-eluting stent system, including participation in trade shows, brand building activities and increased expenses associated with enhancing the sales and marketing functions in Europe.

General and administrative expenses were US\$5.7 million in 1Q FY09 compared to US\$4.5 million in the prior year’s corresponding quarter. The increase was primarily due to increased payroll-related expenses and professional fees associated with the infrastructure necessary to support increased business activities.

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Included in 1Q FY09 is the equity method of accounting for the Company's 50% ownership interest in JW Medical Systems Ltd ("JWMS") which resulted in a net income of US\$1.5 million. For the quarter under review, JWMS sold approximately US\$12.2 million of its drug-eluting stents.

For 1Q FY09, the Group reported a net profit after taxation of US\$16.5 million or 1.56 US cent earnings per basic share and 1.50 US cent earnings per diluted share, compared to a net profit after taxation of US\$8.0 million or 0.87 US cent earnings per basic share and 0.84 US cent earnings per diluted share for the prior year's corresponding period.

Mr. Kleine concluded, "We remain committed to our core goals. We are beginning to penetrate the European drug-eluting stent market through our BioMatrix launch. Results of our LEADERS clinical trial are expected to be presented later this fall. The Company remains focused on becoming the leading drug-eluting stent company in Asia. JWMS continues to capture market share in China market and we remain hopeful that our pending transaction to acquire the remaining 50% of JWMS will be completed; however, delays in receiving the necessary approvals from the Chinese government and others cause us concern, as the agreement expires on 30 September 2008. In the event that we are not able to acquire the remaining 50% of JWMS, we will continue to retain our 50% share of JWMS and seek alternative means to introduce our own technology into China in a manner that will maximize value to our shareholders."

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About Biosensors International Group, Ltd

Biosensors develops, manufactures and markets innovative medical devices used in interventional cardiology and critical care procedures. Biosensors is well-positioned to emerge as a leader in drug-eluting stents and has developed a pipeline of next-generation products that are set to gain market share from traditional therapies such as conventional drug-eluting stents, bare-metal stenting and open-heart surgery. It has three separate drug-eluting stent programs, BioMatrix®, Axxion™, and BioFreedom™, a completely polymer-free drug-eluting stent. For more information, please visit www.biosensors.com.

About BioMatrix®

BioMatrix® offers the unique combination of an innovative anti-restenotic drug, Biolimus A9®, a biodegradable poly-lactic acid polymer (PLA), and an advanced, highly flexible stent designed for enhanced deliverability.

Biolimus A9 was designed specifically for use in drug-eluting stent systems. In addition to effective immunosuppressive and anti-inflammatory properties, the drug has a higher lipophilic and hydrophobic profile than other limus analogs, enabling rapid absorption of the drug into the targeted tissue and reduced systemic exposure. Precision automated coating ensures the PLA and drug combination is applied only to the abluminal (outer) surface of the stent. The PLA fully degrades into water and carbon dioxide as the drug elutes, ultimately leaving in place a biocompatible stent surface. For more information, please visit www.biomatrix.com

Forward-Looking Statements

Certain statements herein include forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements generally can be identified by the use of forward-looking terminology, such as "may," "will," "expect," "intend," "estimate," "anticipate," "believe," "project" or "continue" or the negative thereof or other similar words. All forward looking statements involve risks and uncertainties, including, but not limited to, customer acceptance and market share gains, competition from companies that have greater financial resources; introduction of new products into the marketplace by competitors; successful product development; dependence on significant customers; the ability to recruit and retain quality employees as Biosensors grows; and economic and political conditions globally. Actual results may differ materially from those discussed in, or implied by, the forward-looking statements. The forward-looking statements speak only as of the date of this release and Biosensors assumes no duty to update them to reflect new, changing or unanticipated events or circumstances.

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