

**PuriCore Pre-Close Trading Update for Year Ending December 31, 2009**  
***Increased Revenues of 28% and Significant Business Development***

**MALVERN, PENNSYLVANIA, AND STAFFORD, UK, January 20, 2010** – [PuriCore](#) (LSE: PURI), the water-based clean technology company focused on developing and commercialising proprietary, green solutions that safely, effectively, and naturally kill infectious pathogens without causing harm to human health or the environment, announces its pre-close trading update for the year ending December 31, 2009. Audited results for this period are expected to be announced in late April 2009.

**Q4 and Full-Year Financial Results (unaudited)**

- Q4 sales of \$10.4 million (2008: \$5.9 million), an increase of 75% (72% increase at constant currency)
  - US Food Safety revenue increased 42% to \$4.6 million
  - UK Endoscopy revenue increased 121% to \$5.7 million (113% increase at constant currency)
- 2009 sales of \$40.0 million (2008: \$33.8 million), an increase of 19% (28% increase at constant currency)
  - North American Food Safety revenue increased 19% to \$23.1 million
  - UK Endoscopy revenue, including Labcaire revenue as of August 2009, increased 19% to \$16.4 million (41% increase at constant currency)
- Earnings estimated to be below Director's expectations, but not significantly so, due to delays of expected Endoscopy sales into the next period and higher than anticipated field costs
- Cash of \$5.3 million at period end
  - Debt reduced approximately \$4.6 million (including \$2.2 million related to Labcaire Systems)
  - Receivables and inventory increased a total of approximately \$1.6 million

**2009 Operational Highlights**

- Endoscopy
  - Completed acquisition of Labcaire Systems, a major UK endoscopy provider
  - Launched Endoscopy on Demand and a new pass-through reprocessor
- Food Safety
  - Completed installation in all US and Canadian stores of Safeway, a top-five US supermarket retailer
  - Awarded contract and completed installation for the remaining Supervalu stores, another top-five US supermarket retailer
  - Expanded customer base from 30 to 53 brands including another top-10 US supermarket and leading regional chains

- Wound Care
  - Achieved positive results for Vashe Wound Therapy in a clinical burn study
  - Received a new FDA 510(k) with expanded shelf-life claims
- Completed Successful Fundraisings
  - £2 million equity (gross) raised in a Placing to fund the acquisition of Labcaire Systems
  - \$2.7 million raised through the issuance of debt

***Greg Bosch, Chief Executive Officer of PuriCore, said:***

“2009 was a strong year for PuriCore with record revenues in both core businesses despite the challenging economic climate. In our Food Safety business, we achieved record shipments with continued traction with the top national and regional retailers. Our Endoscopy business, including the acquisition of Labcaire, grew revenues more than 40% for the second year in a row and is now positioned as the top UK endoscopy disinfectant equipment and service provider. The integration of the Labcaire business is on schedule and proceeding smoothly. Looking ahead, we remain keenly focused on continuing to increase revenues, improve gross margins, and leverage our operating expenses in our core businesses while developing a third business franchise for our water-based clean technology.”

**Company Results**

PuriCore achieved record results for the year with 28% top-line growth (at constant currency) and total revenues of \$40.0 million. The Company expects to report a significant improvement in operating loss compared with prior year but a negative variance to Directors' expectations due to delays of expected Endoscopy sales into the next period and higher than anticipated field costs during the year, which the Company anticipates to be reduced going forward. The Company continued to reduce operating expenses throughout the year on its legacy business excluding the impact of Labcaire. PuriCore successfully completed fundraisings during the year including an equity Placing that raised £2 million (gross) to fund the acquisition of Labcaire Systems and the issuances of debt raising \$2.7 million to fund leases in the Food Safety business. The Company's cash and cash equivalents at year end totalled \$5.3 million.

## **Food Safety**

PuriCore's Food Safety business in North America again achieved outstanding growth, driven in large part by the completion of installations of Sterilox Systems by the major nationals (now two of the top-five US retailers) in all of their stores. During the year, PuriCore completed the system-wide installation of Sterilox Food Safety Systems in all US and Canadian stores of Safeway, a top-five US supermarket retailer. The Company also won a contract and completed installation in the remaining Supervalu stores, another top-five US supermarket retailer. At year end, the Company had increased its customer footprint from 30 to 53 retail brands including another top-10 US retailer and several leading regional chains. The Company installed approximately 1,250 new Sterilox Food Safety Systems across the US and Canada in 2009, bringing its total installed base to approximately 3,650 Systems in the 53 retail brands. These brands represent approximately 20% of PuriCore's current targeted market of 29,000 North American stores, of which the Company has already installed 12%. As at 31 December 2009, PuriCore had sales opportunities with other customers in negotiations, trials, or discussions representing an additional 40% of the market. The Company further estimates it could place a second Sterilox system in approximately half of the North American stores for additional applications.

## **Endoscopy**

With the acquisition of Labcaire Systems in August, PuriCore estimates its Endoscopy business is now the largest provider of endoscope disinfection equipment and services to UK NHS hospitals, private hospitals, and primary care networks. PuriCore Endoscopy had significant growth of 41% in 2009 on a constant-currency basis (including Labcaire Systems revenues as of August 2009) despite a clearly challenging economic environment. This growth performance was a function of increased unit placements as well as increased recurring revenue streams from lease contracts, service agreements, and related consumable products. During the year, PuriCore launched a new managed service, Endoscopy on Demand, and pass-through automated endoscopy reprocessor to meet market demand. At year end, PuriCore Endoscopy had placed reprocessing systems in approximately 350 NHS hospitals with endoscopy departments.

## **New Markets**

In 2009, PuriCore transitioned exclusively from a clinical development programme to commercialization of the Vashe Wound Therapy platform. To date there have been more than 160,000 successful Vashe treatments, with total 2009 sales of \$0.5 million (inclusive of Dental revenues). The Company received a new FDA 510(k) clearance for Vashe Wound Therapy, which extends the shelf life and enables wound care clinics greater flexibility in use of the therapy. In late 2009, a clinical study presented highlighted Vashe Wound Therapy as an effective and economical therapy for burn wounds.

## 2010 Outlook

In 2010, the company anticipates cash flow profitability in PuriCore's Endoscopy business in the UK and continued significant progress in the Food Safety business in both the US and Canada. Throughout the year, PuriCore will continue to focus on growth in its two core businesses, North American Food Safety and UK Endoscopy, and further establish its Wound Care market presence. Consistent with past practice, the Company will seek debt financing for leased systems and continue to review additional financing for business growth. Additionally, the Company will continue to seek further opportunities for its water-based clean technology through active business development. The Directors remain confident in the Company's prospects for 2010 and beyond.

## About PuriCore

[PuriCore](#) plc (LSE: PURI) is a water-based clean technology company focused on developing and commercializing proprietary green solutions that safely, effectively, and naturally kill infectious pathogens without causing harm to human health or the environment. PuriCore's patented, proprietary technology mimics the human body's production of the natural antimicrobial hypochlorous acid, offering a safe and non-hazardous approach to disinfection and sanitisation. The Company's products are used in a broad range of markets that depend upon controlling contamination, including food retail and foodservice, medical device disinfection, wound care, and water treatment. Hypochlorous acid is proven to be safe, environmentally friendly, and fast acting against a broad range of infectious pathogens, including major public health threats of *C.difficile*, *E.coli*, HIV, Human and Animal Influenza (including H1N1 and H5N1), *Legionella*, *MRSA*, *M.tuberculosis*, Norovirus, and *Salmonella*. PuriCore is headquartered in Malvern, Pennsylvania, with offices in Stafford and Clevedon, UK.

To receive additional information on PuriCore, please visit our website at [www.puricore.com](http://www.puricore.com), which does not form part of this press release.

Certain statements made in this announcement are forward-looking statements. These forward-looking statements are not historical facts but rather are based on the Company's current expectations, estimates, and projections about its industry; its beliefs; and assumptions. Words such as 'anticipates,' 'expects,' 'intends,' 'plans,' 'believes,' 'seeks,' 'estimates,' and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond the Company's control, are difficult to predict, and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. The Company cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of the Company only as of the date of this announcement. The forward-looking statements made in this announcement relate only to events as of the date on which the statements are made. The Company will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances, or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.

All 2009 financials are unaudited.

### Contacts:

Jennifer Guinan  
Sage Strategic Marketing  
610.410.8111  
[email](#)

Greg Bosch, CEO  
Darren Weiss, CFO  
PuriCore  
484.321.2700