AorTech International Plc ("AorTech" or the "Company")

Interim Results

AorTech International plc (AIM: AOR) ("AorTech" or the "Company"), the biomaterials and medical device development company, today announces its unaudited interim results for the six months ended 30 September 2009.

CHAIRMAN'S STATEMENT

I am pleased to report that during the first half of the Financial Year 2009/10 encouraging progress has again been made by the AorTech Group.

FINANCIAL REVIEW

During the six month period, Group revenue was £191,000, which compared with £74,000 for the corresponding period during the previous Financial Year. As was the case in the two prior years, the timing of scheduled licence fees is more heavily weighted into the second half of the year and we expect this to be the case again this year. Additionally, the recent announcement of our largest ever polymer order is encouraging with respect to the growth of the recurring manufacturing revenues. We expect these manufacturing revenues to continue to increase. In particular, we look to substantive growth of component business in the first calender quarter of 2010. Operating expenses for the half-year increased by 15% to £1.66m, which included £515,000 of development expenditure (H1 2008: £543,000) and £108,000 amortisation of intangible assets (H1 2008: £93,000). The loss after tax for the six months was £1.38m, an increase of £179,000 over the £1.20m figure for the 2008 corresponding period.

CURRENT OPERATIONS

The recent announcement of the licence of our polymer heart valve technology to SynCardia, Inc. for use in their circulatory support devices represents progress with the development and application of this product group. The SynCardia products are expected to generate near term licence and recurring manufacturing revenues. The much larger $32.8m project in related products, announced in July 2007, continues to proceed through its development and regulatory programme.

Our two largest customers continue to increase their orders of bulk polymer. In addition to the revenue produced by these orders, this increase in volume also serves to decrease our unit manufacturing costs. In the period from 2006 to the present, we have seen year on year double digit growth in polymer volumes and we expect this growth to increase through to 2013 and beyond. Our book of polymer hard orders is now at £483k, its highest point ever. We are approaching the commercial phase with a third large volume user who is making steady operational and regulatory progress qualifying our polymer materials in their application. This programme commenced in August 2008.

In earlier reports to shareholders, we have noted the existence of several customer initiated orthopaedic application development programmes utilising our Elast-Eon™ polymers. During the six month period, these programmes have progressed, have generated nominal revenues through their qualification phase and several new orthopaedic application programmes have been initiated. We believe that the first of these programmes will reach the licensing phase in the first half of 2010.

The Group's component business remains at an early, but encouraging stage. Two of the Group's key component manufacturing projects, polymer heart valve and reaction injection moulded (RIM) headers (for cardiac rhythm management and neurostimulation devices), are continuing to progress. This has been in the face of US healthcare cost containment in part because, in addition to the technology advantages they confer, they also represent significant cost reduction opportunities for our customers. We anticipate the first human use of an Elast-Eon™ RIM header to occur during the calendar year 2010.

We continue to operate our ISO credentialed factory with a perfect quality and on-time delivery record.

Management sees the progress of the various application development projects as well as the device development programmes as being in line with expectations and believes that these will be reflected in 2nd half results, demonstrating continued year over year financial progress.

Jon Pither

Chairman

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

Six months ended 30 September 2009

(Unaudited)	**Six months to 30 Sept 2009 £000**	Six months to 30 Sept 2008 £000	Twelve months to 31 March 2009 £000
Revenue	**191**	74	1,259
Other income - grants received	**49**	36	234
Cost of sales	**(117)**	(35)	(124)
Administrative expenses	**(924)**	(777)	(1,754)
Other expenses - development expenditure	**(515)**	(543)	(1,040)
Other expenses - amortisation of intangible assets	**(108)**	(93)	(114)
Operating loss	**(1,424)**	(1,338)	(1,539)
Finance income	**46**	139	290
Loss before taxation	**(1,378)**	(1,199)	(1,249)
Taxation	**-**	-	-
Loss for the financial period	**(1,378)**	(1,199)	(1,249)
Loss per share (basic and diluted) - pence	**(28.51)**	(24.81)	(25.84)

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET

(Unaudited)	**30 Sept 2009 £000**	30 Sept 2008 £000	31 March 2009 £000
Assets			
Non current assets			
Property, plant and equipment	**753**	690	702
Intangible assets	**1,357**	1,198	1,257
Total non current assets	**2,110**	1,888	1,959
Current assets			
Inventories	**165**	205	150
Trade and other receivables	**202**	119	436
Cash and cash equivalents	**3,517**	4,229	4,178
Total current assets	**3,884**	4,553	4,764
Total assets	**5,994**	6,441	6,723
Liabilities			
Current liabilities			
Trade and other payables	**(550)**	(482)	(512)
Total current liabilities	**(550)**	(482)	(512)
Non current liabilities			

Other non current liabilities	**(46)**	(192)	(79)
Total non current liabilities	**(46)**	(192)	(79)
Total liabilities	**(596)**	(674)	(591)
Net assets	**5,398**	5,767	6,132
Equity			
Issued capital	**12,082**	12,082	12,082
Share premium	**2,340**	2,340	2,340
Other reserve	**(2,003)**	(2,003)	(2,003)
Foreign exchange reserve	**1,302**	243	658
Profit and loss account	**(8,323)**	(6,895)	(6,945)
Equity shareholders' funds	**5,398**	5,767	6,132

CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT

(Unaudited)	**Six months to 30 Sept 2009 £000**	Six months to 30 Sept 2008 £000	Twelve months to 31 March 2009 £000
Cash flows from operating activities			
Group loss after tax	**(1,378)**	(1,199)	(1,249)
Adjustments for:			
Depreciation of property, plant and equipment	**120**	143	207
Amortisation of intangible assets	**108**	93	114
Interest income	**(46)**	(139)	(290)
Deferred income released	**(33)**	(32)	(64)
Decrease/(increase) in trade and other receivables	**234**	193	(124)
(Increase)/decrease in inventories	**(15)**	35	90
Increase/(decrease) in trade payables	**38**	(67)	(73)
Net cash flow from operating activities	**(972)**	(973)	(1,389)
Cash flows from investing activities			
Purchase of property, plant and equipment	**(51)**	(155)	(234)
Interest received	**46**	139	290
Net cash flow from investing activities	**(5)**	(16)	56
Net cash flow from financing activities	**-**	-	-
Net (decrease) in cash and cash equivalents	**(977)**	(989)	(1,333)
Foreign exchange differences	**316**	(130)	163
Cash and cash equivalents at beginning of period	**4,178**	5,348	5,348
Cash and cash equivalents at end of period	**3,517**	4,229	4,178

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

(Unaudited)	**Share capital**	**Share premium**	**Other reserve**	**Foreign exchange**	**Profit and loss**	**Total equity**

	£000	account £000	£000	reserve £000	account £000	£000
Balance at 1 April 2008	12,082	2,340	(2,003)	391	(5,696)	7,114
Changes in equity for first half of FY 2008/09						
Exchange difference on translation of foreign operations	-	-	-	(148)	-	(148)
Net expense recognised directly in equity	-	-	-	(148)	-	(148)
Loss for the period	-	-	-	-	(1,199)	(1,199)
Total recognised income and expense for the period	-	-	-	(148)	(1,199)	(1,347)
Balance at 30 September 2008	12,082	2,340	(2,003)	243	(6,895)	5,767
Changes in equity for second half of FY 2008/09						
Exchange difference on translation of foreign operations	-	-	-	415	-	415
Net income recognised directly in equity	-	-	-	415	-	415
Loss for the period	-	-	-	-	(50)	(50)
Total recognised income and expense for the period	-	-	-	415	(50)	(365)
Balance at 31 March 2009	12,082	2,340	(2,003)	658	(6,945)	6,132
Changes in equity for first half of FY 2009/10						
Exchange difference on translation of foreign operations	-	-	-	644	-	644
Net income recognised directly in equity	-	-	-	644	-	644
Loss for the period	-	-	-	-	(1,378)	(1,378)
Total recognised income and expense for the period	-	-	-	644	(1,378)	(734)
Balance at 30 September 2009	**12,082**	**2,340**	**(2,003)**	**1,302**	**(8,323)**	**5,398**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

These condensed consolidated interim financial statements are for the six months ended 30 September 2009, and have been prepared with regard to the requirements of IAS 34 on "Interim Financial Reporting." They do not include all of the information required for full financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 March 2009.

These condensed consolidated interim financial statements have been prepared in accordance with the accounting policies set out below which are based on the recognition and measurement principles of IFRS in issue as adopted by the European Union (EU) and effective at 31 March 2010 or are expected to be adopted and effective at 31 March 2010. They were approved for issue by the Board of Directors on 1 December 2009.

The accounting policies have been applied consistently throughout the Group for the purposes of preparation of these condensed consolidated interim financial statements.

The financial information for the six months ended 30 September 2009 and the comparative figures for the six months ended 30 September 2008 are unaudited and have been prepared on the basis of the accounting policies set out in the consolidated financial statements of the Group for the year ended 31 March 2009. This financial information does not constitute statutory accounts as defined in Section 435 of the Companies Act 2006. The financial statements for the year ended 31 March 2009, prepared under IFRS, received an unqualified audit report, did not contain statements under sections 498(2) and 498(3) of the Companies Act 2006 and have been delivered to the Registrar of Companies.

Loss per share has been calculated on the basis of the result for the period after tax, divided by the weighted average number of ordinary shares in issue in the period of 4,832,778. The comparatives are calculated by reference to the weighted average number of ordinary shares in issue which were 4,832,778 for the period to 30 September 2008 and 4,832,778 for the year ended 31 March 2009.

2. SEGMENTAL REPORTING

The principal activity of the AorTech International plc Group currently is the development and exploitation of a range of innovative biomaterials.

All revenue during the first six months of financial year 2009/10 originated in Australia.

(Unaudited)

	Six months to 30 Sept 2009 £000	Six months to 30 Sept 2008 £000	Twelve months to 31 March 2009 £000
Analysis of revenue by destination			
Geographical segments			
United Kingdom	**4**	-	11
Australia	**-**	73	3
United States of America	**187**	1	1,245
	191	74	1,259
Analysis of result - operating loss			
Geographical segments			
United Kingdom	**(168)**	(313)	(583)
Australia	**(1,026)**	(854)	(557)
United States of America	**(230)**	(171)	(399)

(1,424)	(1,338)	(1,539)

3. ADDITIONS TO AND AMORTISATION OF INTANGIBLE ASSETS

The following table shows the significant additions to and amortisation of intangible assets

(unaudited)	**Intellectual property £000**
At 1 April 2008	1,302
Exchange rate adjustment	(11)
Amortisation	(93)
At 30 September 2008	1,198
Exchange rate adjustment	80
Amortisation	(21)
At 1 April 2009	1,257
Exchange rate adjustment	208
Amortisation	(108)
At 30 September 2009	1,357

Corporate information and advisers

Directors

Jon Pither non-Executive Chairman

Frank Maguire Chief Executive

Eddie McDaid non-Executive Director

Dr Stuart Rollason non-Executive Director

Gordon Wright non-Executive Director

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Registered in Scotland, Company No.170071

Interim results will be circulated to Shareholders and copies of the announcement will be made available from the Company's registered office. Dealings permitted on Alternative Investment Market (AIM) of the London Stock Exchange.