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## FOR IMMEDIATE RELEASE

### AMDL INC. ANNOUNCES FIRST QUARTER 2009 FINANCIAL RESULTS

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**(TUSTIN, CA) May 15, 2009/PRNewswire** – AMDL Inc. (NYSE Alternext US: [ADL](#) - [News](#)), a US-based pharmaceutical company with major operations in China, announced today unaudited results and the filing of its Form 10Q with the Securities and Exchange Commission (“SEC”) for the first quarter ended March 31, 2009.

#### **Financial Results**

AMDL has a highly seasonal business that has historically resulted in low first quarter revenues and earnings. Given this seasonality, our first quarter results were within our expectations.

For the first quarter 2009 AMDL reported unaudited net revenues of approximately \$2.71 million, a decrease of 7.8% compared with approximately \$2.94 million in sales reported for the same period in FY2008. The decrease in net revenues was anticipated due to the seasonal nature of AMDL’s business combined with the Company’s inability to produce Goodnak® and Human Placenta Extract (HPE) anti-aging products dependent on a non-operational small-injectable production line which was off-line while awaiting mandatory 5-year GMP re-certification from the sFDA. In addition, distribution contracts with four primary beauty distributors expired during the fourth quarter of FY2008, impacting sales of other HPE-based anti-aging solutions. AMDL manufactured additional Goodnak and other small-injectable line dependant products in anticipation of these events and depleted product inventories sooner than anticipated due to higher than expected sales prior to year-end FY2008. The Company received re-certification on May 8, 2009 for the off-line small-injectable line and has resumed full product production. The Company is also in current re-negotiations to renew the expired distributor contracts pertaining to the HPE-based anti-aging solutions.

Gross profits for the first quarter FY2009 decreased to approximately \$1.1 million compared to approximately \$1.4 million for the same period in FY2008.

Selling, general and administrative expenses for the Company were approximately \$2.59 million for the quarter ended March 31, 2009 as compared to approximately \$2.80 million for the same period in FY2008 due to a reduction in payroll expense and professional fees.

Loss before discontinued operations for the quarter ended March 31, 2009 was \$1.9 million, or \$0.12 per share compared to the quarter ended March 31, 2008 when the Company’s loss before discontinued operations was \$1.7 million, or \$0.11 per share. As previously announced, AMDL has discontinued operations at its YYB subsidiary and is negotiating the sale of that facility. For the quarter ended March 31, 2009 the Company recognized income of approximately \$247,000 from discontinued operations.

“Seasonally the first quarter is consistently our most challenging, and as we communicated in our FY2008 earnings call, we anticipated first quarter results to be slightly lower than the corresponding period last year,” commented Mr. Douglas MacLellan, Chairman and Chief Executive Officer of AMDL Inc. “Downward first quarter sales resulted from the combination of a traditional slower business

environment surrounding the Chinese New Year holiday and product sales impact resulting from a non-operational China-based production line and expired distributor contracts.”

### **FY2009 Outlook**

AMDL reaffirms the Company is on track with its FY2009 projections and expects to meet its FY2009 financial forecast of estimated gross revenues of US\$64 - \$72 million and net income between US\$8 - \$12 million after taxes and before foreign currency translation gains or losses. This represents revenues for the Company’s China-based operations only. Additionally, the Company expects to recoup 100% of its forecasted product production levels over the course of the remaining year and anticipates it will carry over approximately \$1.4 million in gross revenues and \$600,000 in earnings into the second quarter of FY2009 from FY2008 fourth quarter sales of AMDL’s HPE-based anti-aging product.

“We remain confident in the Company’s near-term outlook, 2009 business strategy and financial forecast,” continued Mr. MacLellan. “Our China operations remain solid and sales are on track. We are also making strong traction with our *in vitro* diagnostics division and the commercialization of AMDL’s DR-70 cancer test. This includes the signing of a collaborative partnership with Mayo Clinic and securing our first customer and distributor partnerships with Precision Diagnostics Laboratories Inc. and GenWay Biotech Inc. respectively. As we move further into the second quarter we expect to secure additional partnerships which we believe will have substantial impact on the commercialization of DR-70. Lastly, management continues to assess AMDL’s overall operations and has already taken direct steps to strengthen the Company’s expense structure and increase cash flow. With cost control and financing initiatives underway, we expect to maintain our track record of profitability in China, proceed down a path to profitability in our Tustin-based operations, and meet AMDL’s 2009 guidance.”

AMDL’s FY2009 Guidance projections do not include any significant sales for the DR-70 (FDP) *in vitro* cancer diagnostic test or export sales for the AMDL’s HPE-based anti-aging skin care products -- both of which AMDL is in the process of commercializing.

### **Cost Controls**

AMDL is taking proactive measures to reduce over \$1.5 million of general & administrative expenses in FY2009 with the goal of increasing operational efficiencies and managing the business in an increasingly prudent manner. These cost containment activities include increased monitoring of discretionary spending and an anticipated 30% reduction in overall 3<sup>rd</sup> party service provider fees that for accounting, legal, investor relations, and financial advisory and independent director services.

### **Cash Position & Accounts Receivables**

As of May 15<sup>th</sup>, 2009 the Company and its subsidiaries have approximately \$4.94 million in cash with approximately \$11.8 million in accounts receivables. The majority of these accounts receivables are cycling longer than terms but at anticipated rates. At this time, the Company has no current concern about doubtful accounts.

### **Financing Initiatives**

In FY2008 the Company worked diligently to attract additional capital with limited success that was primarily due to the less than attractive US and China capital and banking markets. With significant and consistent revenue growth in FY2008 and a solid platform for success already underway for FY2009, the Company is continuing its financing efforts to strengthen AMDL’s financial position. Initiatives include: closing of the 2<sup>nd</sup> tranche of its May 6, 2009 private placement offering; considering long-term preferred equity transactions and establishing

various US and/or China-based credit facilities. AMDL expects to use these credit facilities to fund ongoing business activities.

### **Going Concern Qualification**

On April 15, 2009, AMDL filed with the SEC an Annual Report on Form 10-K in which included an audit opinion with a "going concern" explanatory paragraph which expresses doubt, based upon current financial resources, as to whether AMDL can continue to meet its obligations beyond FY2009 without access to additional working capital. The Company intends to raise additional capital and pursue expense reductions to ensure its ongoing financial viability. This disclosure is in compliance with the NYSE Alternext US Company Guide Rule 610(b) requiring a public announcement of the receipt of an audit opinion that contains a going concern qualification and does not reflect any change or amendment to the consolidated financial statements as filed. Further information regarding the going concern qualification is contained in AMDL's Annual Report on Form 10-K for the year ended December 31, 2008.

### **Conference Call**

The Company will hold a conference call at 1:30 p.m. PDT on Monday, May 18, 2009 to discuss first quarter 2009 results. Listeners may access the call by dialing 1.888.490.1524 or 1.706.902.3245 for international callers, access code 10468976. A webcast will also be available through AMDL's website at [www.amdl.com](http://www.amdl.com). A replay of the call will be available through May 20, 2009. For additional information on AMDL and its portfolio of products visit the Company's corporate website at [www.amdl.com](http://www.amdl.com). For Investor Relations information contact Kristine Szarkowitz at [kszarkowitz@amdl.com](mailto:kszarkowitz@amdl.com) or 1.206.310.5323.

### **About AMDL**

Headquartered in Tustin, CA with operations in China, AMDL, Inc., along with its subsidiary Jade Pharmaceutical Inc. (JPI), is a pharmaceutical company devoted to the research, development, manufacturing, and marketing of diagnostic, pharmaceutical, nutritional supplement, and cosmetic products. The Company employs over 510 people in the U.S. and China.

### **Forward Looking Statements**

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: The statements contained in this document include certain predictions and projections that may be considered forward-looking statements under securities law. These statements involve a number of important risks and uncertainties that could cause actual results to differ materially including, but not limited to, the performance of joint venture partners, as well as other economic, competitive and technological factors involving the Company's operations, markets, services, products, and prices. With respect to AMDL Inc., except for the historical information contained herein, the matters discussed in this document are forward-looking statements involving risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements.

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