

August 5, 2010



InfuSystem Holdings Reports 14% Revenue Increase and \$3.2 Million of Adjusted EBITDA for the Second Quarter of 2010

MADISON HEIGHTS, MI--(Marketwire - August 5, 2010) - InfuSystem Holdings, Inc. (OTCBB: INHI) (OTCBB: INHIW) (OTCBB: INHIU), the leading provider of infusion pumps and associated products and services, today announced financial results and provided a business update for the second quarter ended June 30, 2010.

Revenue for the second quarter ended June 30, 2010 was \$10.5 million, a 14% improvement compared to \$9.2 million for the same period in 2009. The increase in revenue was predominantly the result of maturation of new accounts signed during the past several months combined with continued growth of new customers gained during the period.

Mr. Sean McDevitt, Chief Executive Officer, commented, "In the second quarter we continued to experience growth in our ambulatory infusion business. With our recent milestone acquisition of First Biomedical, Inc., InfuSystem has successfully broadened our service offerings to our oncology customers and now serves an even larger infusion market, including outside of oncology. Furthermore, the acquisition diversifies our revenue sources and provides us with numerous complementary opportunities that will continue to fuel our strong organic growth. In addition, InfuSystem continues to explore additional complementary businesses as potential acquisition candidates to further bolster our long term growth prospects."

Financial Results for the Second Quarter 2010

Revenue for the second quarter ended June 30, 2010 was \$10,487,000, a 14% improvement compared to \$9,173,000 for the same period in 2009. The increase in revenues is primarily due to increased penetration at facilities added during the past few months, as therapies are initiated for more and more patients at these facilities, combined with the addition of new customer accounts won during the quarter.

Adjusted EBITDA for the second quarter ended June 30, 2010 was \$3,171,000, a 3% improvement compared to \$3,083,000 for the same period in 2009. The increase in EBITDA for the second quarter of 2010 was primarily due to higher gross profit, partially offset by higher provision for doubtful accounts and higher selling expenses. The Company defines Adjusted EBITDA as earnings before interest, taxes, depreciation and amortization, and excludes gain (loss) on derivative financial instruments and stock-based compensation, and other non-recurring charges. Adjusted EBITDA is not a measure of performance calculated in accordance with generally accepted accounting principles in the United States ("GAAP").

The Company believes the presentation of Adjusted EBITDA is a relevant and useful measure to assist a reader's ability to understand the Company's operating performance. The Company's management likewise utilizes Adjusted EBITDA as a means to measure its operating performance. Reconciliation from Adjusted EBITDA, a non-GAAP measure, to net income can be found in the appendix.

The acquisition of First Biomedical in the final weeks of our second quarter had significant one-time impacts on our financial reporting. Operating loss for the second quarter of 2010 was (\$254,000), compared to operating income of \$1,344,000 for the same period in 2009. The decrease in operating income was primarily due to costs related to the recent First Biomedical acquisition, higher stock-based compensation expense and higher provision for doubtful accounts, partially offset by higher gross profit. Costs related to the acquisition of First Biomedical totaled approximately \$785,000 in the second quarter. Net income for the second quarter of 2010 was \$135,000 or \$0.01 per diluted share, compared to net income of \$2,760,000 or \$0.15 per diluted share, for the same period in 2009. Net income for the second quarter of 2010 included a (\$71,000) loss on derivative financial instruments, which was predominantly attributable to the change in the value of the Company's warrants, compared to a \$2,006,000 gain on derivative financial instruments in the second quarter of 2009.

Total cash and cash equivalents were \$3,016,000 at the end of the second quarter, compared to \$7,750,000 at the end of 2009. As of June 30, 2010, InfuSystem had \$34,246,000 of debt outstanding, compared to \$24,141,000 at year end 2009. Both the decrease in cash and the increase in debt, as compared to year end 2009, are primarily related to the acquisition of First Biomedical and the refinancing of the Company's debt, partially offset by continued strong operating cash flows. The Company also had a \$5,000,000 undrawn revolving credit facility in place at June 30, 2010.

Conference Call

The company will host an investor conference call today at 5:00 p.m. ET to discuss its financial results for the second quarter 2010. The investor conference call will be available via live webcast on InfuSystem's website at www.infusystem.com in the Investors section. To participate by telephone, the dial-in number is (888) 713-4485. The access code is 9667934. Investors are advised to dial into the call at least ten minutes prior to the call to register. A replay of the call can be accessed by dialing (888) 203-1112, confirmation number 9667934. An online archive of the conference call will remain on the Company's website for at least 90 days after the call.

About InfuSystem Holdings, Inc.

InfuSystem is the leading supplier of infusion services to oncologists and other outpatient treatment settings. The Company provides pole mounted and ambulatory pumps, supplies and related clinical, biomedical and billing services to practices and patients, nationwide. The Company's unique suite of services appeals to practices, patients and payors by improving access to clinically necessary medical equipment, while driving down costs and maximizing clinical outcomes.

Forward-Looking Statements

Except for the historical information contained herein, the matters discussed in this press release are forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those predicted by such forward-looking statements. These risks and uncertainties include general economic conditions, as well as other risks detailed from time to time in InfuSystem's publicly filed documents.

INFUSYSTEM HOLDINGS, INC.
CONSOLIDATED BALANCE SHEETS

(in thousands, except share data)	June 30, 2010	December 31, 2009
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	(Unaudited)	
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 3,016	\$ 7,750
Accounts receivable, less allowance for doubtful accounts of \$2,178 and \$1,842 at June 30, 2010 and December 31, 2009, respectively	7,459	5,517
Inventory	1,650	925
Prepaid expenses and other current assets	614	395
Deferred income taxes	255	125
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Total Current Assets	12,994	14,712
Property & equipment, net	16,994	13,499
Deferred debt issuance costs, net	804	781
Goodwill	64,068	56,580
Intangible assets, net	34,312	28,911
Other assets	286	207
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Total Assets	\$ 129,458	\$ 114,690
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LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 1,893	\$ 1,306
Other current liabilities	2,219	1,573
Derivative liabilities	750	2,670
Current portion of long-term debt; December 31, 2009 includes \$4,928 payable to Kimberly-Clark (I-Flow)	5,011	5,501
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Total Current Liabilities	9,873	11,050
Long-term debt, net of current portion; December 31, 2009 includes \$16,757 payable to Kimberly-Clark (I-Flow)	29,235	18,640
Deferred income taxes	5,354	3,314
Other Liabilities	488	221
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Total Liabilities	\$ 44,950	\$ 33,225
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Stockholders' Equity		
Preferred stock, \$.0001 par value: authorized 1,000,000 shares; none issued	-	-
Common stock, \$.0001 par value; authorized 200,000,000; shares; issued and outstanding 19,869,239 and 18,734,144, respectively	2	2
Additional paid-in capital	84,330	81,410

Retained earnings	176	53
Total Stockholders' Equity	84,508	81,465
Total Liabilities and Stockholders' Equity	\$ 129,458	\$ 114,690

INFUSYSTEM HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
(in thousands, except per share data)				
Net revenues	\$ 10,487	\$ 9,173	\$ 21,421	\$ 18,400
Operating expenses:				
Cost of Revenues --				
Product and supply costs	1,719	1,384	3,394	2,654
Cost of Revenues -- Pump depreciation and disposals	1,248	894	2,387	1,734
Provision for doubtful accounts	1,076	875	2,469	1,844
Amortization of intangibles	534	457	991	914
Selling and marketing	1,595	1,419	3,036	2,739
General and administrative	4,569	2,800	7,905	5,910
Total Operating Expenses	10,741	7,829	20,182	15,795
Operating (loss) income	(254)	1,344	1,239	2,605
Other (loss) income:				
(Loss) gain on derivatives	(71)	2,006	(460)	(636)
Interest expense	(1,366)	(851)	(2,172)	(1,837)
Other income	1,118	-	1,118	-
Total other (loss) income	(319)	1,155	(1,514)	(2,473)
(Loss) income before income taxes	(573)	2,499	(275)	132
Income tax benefit	708	261	398	121
Net income	135	2,760	123	253
Net income per share:				
Basic	0.01	0.15	0.01	0.01
Diluted	0.01	0.15	0.01	0.01
Weighted average shares				

outstanding:				
Basic	19,798,719	18,566,748	19,353,638	18,549,389
Diluted	20,811,813	18,943,962	19,922,468	18,915,995

INFUSYSTEM HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

(in thousands)	Six Months Ended June 30	
	2010	2009
OPERATING ACTIVITIES		
Net Income	123	253
Adjustments to reconcile net income to net cash provided by operating activities:		
Loss on derivative liabilities	460	636
Gain on extinguishment of long-term debt	(1,118)	-
Provision for doubtful accounts	2,469	1,844
Depreciation and loss on disposal of pumps	2,559	2,093
Amortization of intangible assets	991	914
Amortization of deferred debt issuance costs	834	264
Stock-based compensation	997	545
Deferred income taxes	(814)	787
Changes in assets and liabilities, exclusive of effects of acquisitions:		
Increase in accounts receivable, net of provision	(2,682)	(2,653)
Increase in other current assets	(318)	(1,317)
Increase in other assets	(906)	(511)
Increase in accounts payable and other liabilities	1,134	657
Decrease in derivative liabilities from termination of interest rate swap	(365)	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	3,364	3,512
INVESTING ACTIVITIES		
Capital expenditures	(743)	(2,672)
Cash paid for acquisition, net of cash acquired	(16,418)	-
Proceeds from sale of property	-	1
Other assets	-	(18)
NET CASH USED IN INVESTING ACTIVITIES	(17,161)	(2,689)
FINANCING ACTIVITIES		
Principal payments on term loan	(20,568)	(6,929)
Cash proceeds from term loan	30,000	-
Common stock repurchased to satisfy statutory withholding on Stock-based compensation	(38)	-
Principal payments on capital lease obligation	(331)	(43)

NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	9,063	(6,972)
Net change in cash and cash equivalents	(4,734)	(6,149)
Cash and cash equivalents, beginning of period	7,750	11,513
Cash and cash equivalents, end of period	3,016	5,364

INFUSYSTEM HOLDINGS, INC.
GAAP RECONCILIATION
(UNAUDITED)

Reconciliation from Net Income to Adjusted EBITDA

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Net Income	\$ 135	\$ 2,760	\$ 123	\$ 253
Adjustments:				
Interest expense	1,366	851	2,172	1,837
Income tax benefit	(708)	(261)	(398)	(121)
Depreciation	1,209	1,015	2,380	1,886
Amortization	534	457	991	914
EBITDA	\$ 2,536	\$ 4,822	\$ 5,268	\$ 4,769
Adjustments:				
Loss (gain) on derivatives	71	(2,006)	460	636
Stock based compensation	897	267	997	545
Acquisition costs	785	-	785	-
Gain on debt extinguishment	(1,118)	-	(1,118)	-
Adj. EBITDA	\$ 3,171	\$ 3,083	\$ 6,392	\$ 5,950

Sean Whelan
CFO
InfuSystem
(248) 291-1210

Investor Contacts:
Asher Dewhurst
Bob East
Westwicke Partners
[Email Contact](#)
Tel: (443) 213-0500